THE CIA IN VIETNAM: NATION-BUILDERS, OLD PROS, PARA-MILITARY BOYS, AND MISPLACED PERSONS

The Washington Monthly

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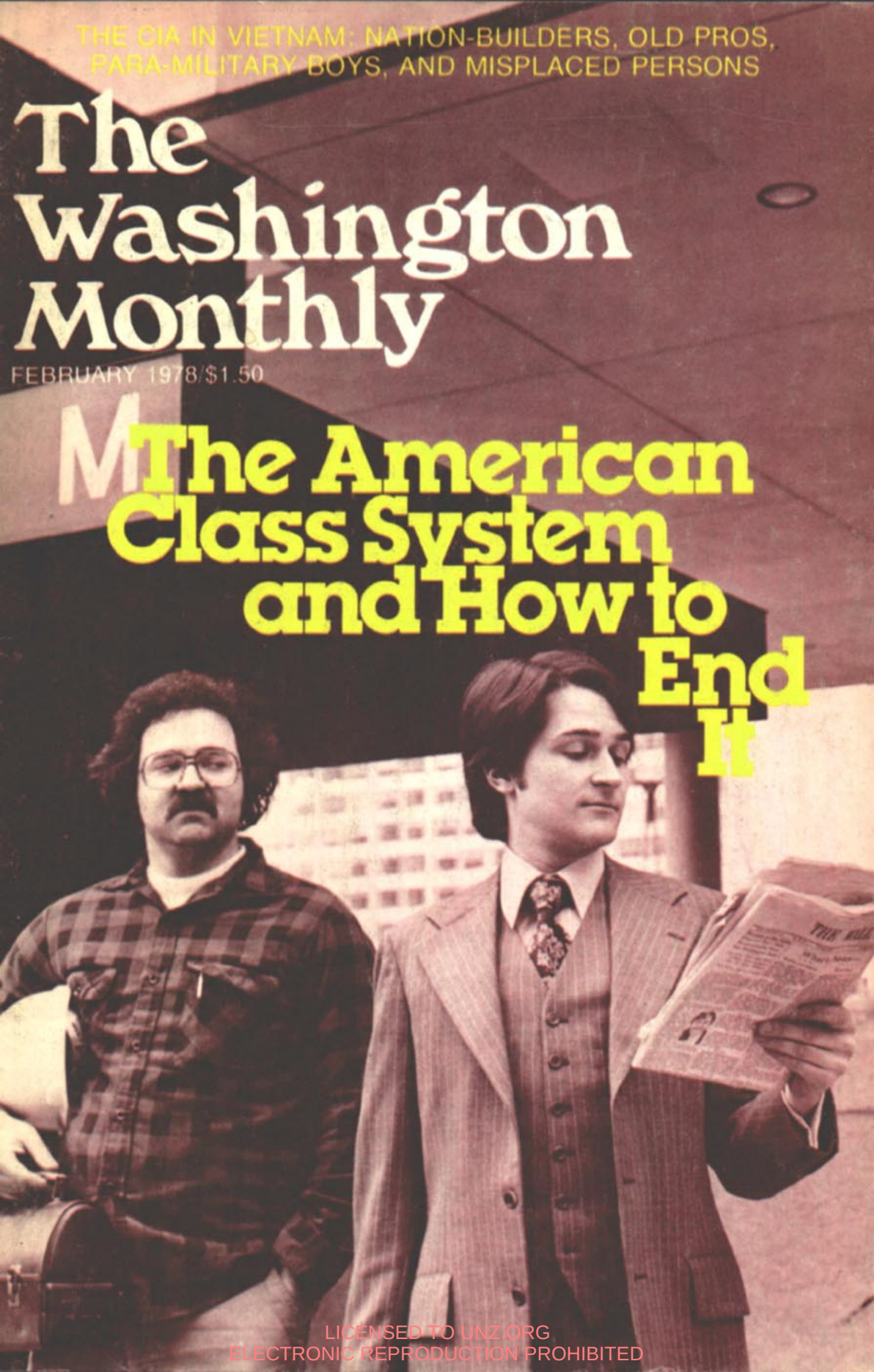
The American Class System and How to End It



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Letters

Right to Work

You have been very selective about the advertising you accepted in the past, so perhaps you understand my confusion when I saw the ad of the National Right To Work Committee in the latest issue [September 1977]. Posing as champions of the American workers while being supported by contributions from our large corporations seems somewhat dishonest to me. I have been a subscriber of *The Washington Monthly* since the earliest days so please accept this as sincere criticism, although obviously, not without bias.

JAMES E. WOLFE
Cincinnati, Ohio

Mr. Wolfe is director for research and education for the International Molders and Allied Workers Union.

The editor replies:

We do try to be champions of the American worker against those who would exploit him, whether they be officials of management or of labor unions. So we are not automatically pro-union. We believe we have a positive obligation to run political discussion ads such as those of the National Right to Work Committee. The only advertisements we would definitely refuse are those selling unsafe products or advocating violence or hatred.

Gilligan and AID

I agree the Agency for International Development has many problems ["Tilting at Windmills," December], but the Brookings Institution recommendation to abolish the Agency and create two new ones with a coordinator in the White House would create additional bureaucratic problems and not do anything to solve the inherent difficulties of managing foreign aid. AID has slightly more employees in Washington today than it had in 1961. There are fewer direct-hire Americans overseas now for two very good reasons: private voluntary organizations, universities, private firms and others are now implementing many programs with AID funding, and the citizens of recipient countries, official and private, are doing many jobs formerly done by Americans. Even so, [the] Washington staff is larger than necessary and top heavy in the senior grades. Some employees in AID who Jack Gilligan is shaking up with a reorganization may not agree with you that he is such a nice guy. From a ceiling of 2740 Gilligan is reducing Washington staff to less than 2000 onboard this year. Other reforms include new financial management and budgeting systems, overhaul of personnel management, decentralization and delegation of more authority to overseas missions, cutting frills from operating expenses and giving strong emphasis to programs directly affecting the poor in developing countries. In addition to dealing with a fair share of Congressional harassment, Gilligan has strongly challenged those in the foreign affairs community and the special interest groups who would use AID for everything but development. This does not sound like a guy "who seeks a smooth, trouble-free administration." It is a tough, thankless job (there is no real constituency for foreign aid) but important work. Jack Gilligan deserves a better shake than you are giving him.

TONY BABB
Washington, D.C.

Tony Babb is special assistant to the Administrator of AID and director of the Task Force on AID Reorganization.

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Tilting at Windmills

The Carters sometimes appear to be warm human beings. More often, according to the people who work for them at the White House, the President and his wife come across as cold. During the Christmas holidays, for example, the Carters had a party for the families of the White House staff. There were platters and punch bowls aplenty. But they were empty. The President was not there. Mrs. Carter was not there. No other member of the Carter family was there. Surely, you think, there must have been beer and peanuts, or potato chips and coke. No. No drink. No food. No Carters. The guests were permitted, however, to circulate among the rooms of the mansion's first floor.

The *Washington Monthly* was founded on the belief that the main enemy was not communism or capitalism but bureaucracy, and we're always pleased when others join us in that perception. The most recent convert is Vietnam. According to Frank Ching, of the Asian *Wall Street Journal*, the government of Vietnam has set up People's Inspection Commissions, whose members are elected by the people on a block-by-block basis, to monitor bureaucracy that, in the words of the Vietnam News Agency, is increasingly characterized by "overbearingness, authoritarianism, and abuse of power."

On December 19, the CBS Evening News carried a good segment on crooked charity appeals. The only trouble was that it began with a shot of what looked like some Salvation Army bell-ringers, and the show had no evidence of wrong-doing by the Army. In fact, the Army is generally more honest and has a less overgrown bureaucracy than most American charities. Perhaps it can increase its revenues this year by suing CBS for libel.

In December, *The Washington Post* attacked the New York City Council for voting pay raises for the city's top 51 elected officials. But it did so on the ground that the raises were politically stupid, not that they were wrong, conceding that "it is possible to argue that the council now fears the wrath of the taxpayers for doing what was right, just as Congress did in the last round of federal pay increases."

In fact, the federal pay increases in the last 16 years have been scandalous, as has the *Post*'s lack of opposition to them. The federal government now has 73,000 employees designated GS-14 and GS-15, jobs in which modest responsibility is the rule rather than the exception, and in which the pay ranges from $30,000 to $47,500. And the military is no better. The average lieutenant colonel costs you $51,200 per year in salary and fringe

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benefits.

Government salaries and related pension costs (see Marjorie Boyd's article in this issue) are drastically limiting this country's financial ability to meet pressing problems of unemployment and health care. Because Carter has been so cowardly about confronting the salary and pension problem—and the government employees' unions—he needs a massive push from the media. In spite of the *Post*'s silence, there is some sign of movement here. In recent months, *The New Republic* and *Mother Jones* have joined us in protesting excessive salaries. We hope other magazines, newspapers, television stations, and networks will begin to face the problem.

Another 6.5-percent pay increase for federal employees is scheduled for October 1. The Defense Department, on grounds of saving money, and the Treasury Department, on grounds of avoiding an inflationary example, are said to favor eliminating or reducing the increase. So at last there is some kind of force working within the government against these annual raises. Now is the time not only for the media but for the taxpayer to join in. Write your congressman. Let him know what you think of this ridiculous waste.

There is another aspect of federal employment where Jimmy Carter needs to be turned away from the direction in which he is heading. According to the *Post*'s Mike Causey, Carter "has approved a plan that would prohibit federal government agencies from firing any employee as a result of efforts to reorganize the bureaucracy."

How on earth can the government be made more efficient if inefficient employees can't be fired? Reasonable federal employees realize this. They will tell you that they don't want to be protected from firing for incompetence. What they seek is protection against arbitrary firing on the basis of sex, race, politics, or simple favoritism. The problem is that such protection, to be complete, requires exhaustive hearings that can be manipulated by the incompetent to outlast all but the most determined supervisors. This is why we have proposed that as government jobs open up, half of them should be filled with the understanding that the new employee is subject to arbitrary dismissal. We think this will have the added benefit of attracting more adventurous types to a government service that the appeal of tenure has packed with cautious people who seek security above all.

Recently the Civil Service Commission has approved a plan to remove from civil service coverage sizable blocs of middle- and upper-level jobs so that they can be made available for women, blacks, and other minority groups. We think the government should make an equal effort to make room for the risk-taker and the original thinker.

Every legislative measure has its advocates and opponents who paint the most glowing or depressing picture of the results of its enactment. So it was with the recent increase in the minimum wage. Opponents said it would cause massive layoffs. Advocates said it would mean higher income for workers. Both were wrong, according to a recent survey by *The Wall Street Journal*. Hardly anyone is being fired, but few workers are making more money. Employers are simply reducing the number of working hours. A Kentucky Fried Chicken employee who was working 23 hours a week and making $53, is now working 18 hours and getting $48 . . . .

Washington recently witnessed two dramatic demonstrations of how not to handle criminals. William Ray was arrested for stealing a $7 pair of shoes. He was searched and found to have no weapon on him. He then attempted to escape and was shot in the head and killed by a policeman. On the other

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hand, Richard E. Fields, a criminal with a history of violence reaching back to his childhood who had murdered a technician at St. Elizabeth's Hospital, was found not guilty by reason of insanity and returned to the hospital where his presence is a daily comfort to all the members of the staff who testified against him . . . . All of us who enjoy comedy owe an eternal debt to Donald Barnes, chief of the State Department's Language Services Division, who selected the Polish interpreter for President Carter's recent trip. Surlier souls might question, however, why Barnes chose a Russian speaker to translate Polish and why he ignored the many fluent speakers of Polish who work for our government, including those in the Slavic Division of the Library of Congress and in the Foreign Service Institute, which is part of Barnes' own Department of State. Barnes' defense—that he didn't have enough budget to hire a full-time Polish speaker for his staff—is a bureaucratic classic. It is the way the clever administrator turns disaster into a budget increase. And you can bet that there will be congressmen who, instead of asking why Barnes didn't get a Polish speaker from the Library of Congress or the Foreign Service Institute, will move to give him enough money to hire fluent translators of every known language so that "this President, this country will never be embarrassed again" . . . Two major stories about the CIA appeared in the press during December. One told of the CIA's use of reporters, and it, reflecting journalism's fascination with itself, received major attention. The other, dealing with the failure of the CIA to predict Saudi Arabia's crucial behavior at the time of the Arab oil embargo, was a back-page item. Much of the CIA's manipulation of the press was deplorable (although we can see absolutely nothing wrong with a reporter who in an unpaid, voluntary, and patriotic capacity gives information to the CIA) and deserved exposure. But the story that the CIA was not doing its job—providing the country with reliable intelligence about important developments abroad—was at least equally important. It may be that the press has gotten so carried away with its justifiable indignation at CIA misdeeds that it has forgotten that this country still needs a good intelligence agency and that the press has an obligation to criticize its inefficiencies as well as its scandals.

Whenever I write something like the preceding item, some friend will tell me our liberal readers will think I'm pro-CIA. The same kind of thing is said whenever I express concern about the efficiency of our military. I find this tragic because it is essential that liberal intellectuals rejoin the defense debate they left for understandable reasons early in the Vietnam war. Is W. R. Taylor, editor of *Jane's All the World's Aircraft*, right in saying that the cruise missile isn't much better than the Nazi V-1 the British learned to shoot down with regularity in World War II? Is retired Admiral Gene La Roque right in saying that we should stop wasting money on aircraft carriers and instead spend it on submarines and anti-submarine warfare? Is Henry Bradsher of the *Washington Star* right in reporting that the Russians have made dramatic improvements in their ability to track down our submarines? You'll never find the answer to these questions in *The New Republic* or *The Nation* or indeed in *The Washington Post* or *The New York Times* (except by Drew Middleton, whose views are too predictably right-wing). Since as reasonable people we must concede that unpleasant fellows might seize power in a country that has the potential of waging war against us, don't we want an intelligence agency that can let us know what the unpleasant fellows are up to and a military that can protect us if things get out of hand?

—*Charles Peters*

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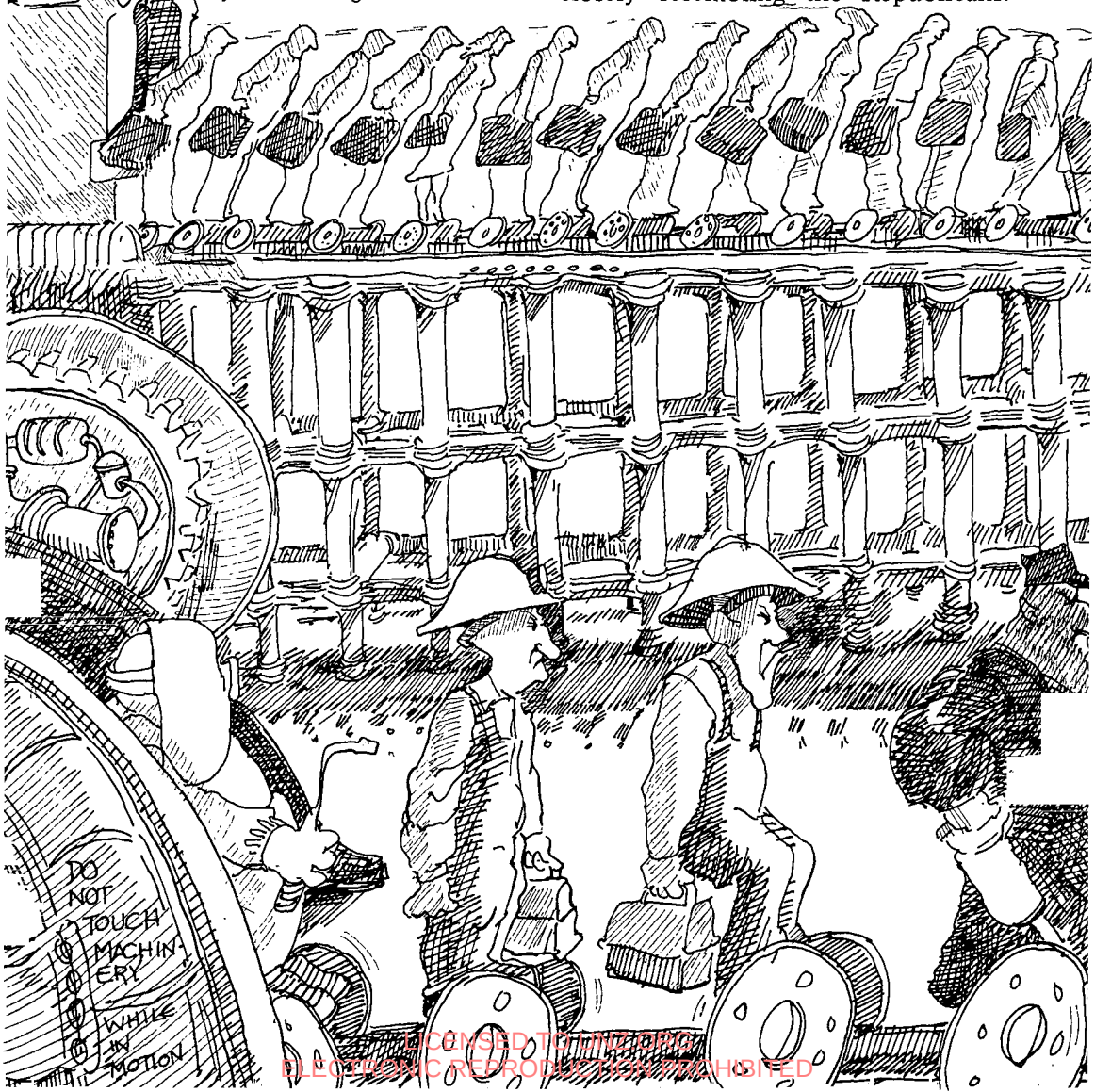
The American Class System and How to End It

by Thomas Massey

Six years ago, while George McGovern was making his try for the presidency, Fletcher Knebel published a novel about an even less probable run. The book was called *Dark Horse* and it concerned one Eddie Quinn, a highway commissioner from New Jersey, who suddenly found himself the presidential nominee of a party closely resembling the Republicans.

Thomas Massey is a Washington writer.



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The real candidate had died three weeks before the convention; the leaders of the party, knowing that the chances of victory were nil, settled on Quinn as a harmless figurehead who might keep the rest of the ticket from going down to total ruin.

As you might expect in a novel, the race turned out in a surprising way; but what is most surprising about the book is how eerily familiar Quinn's campaign now seems. "My name is Eddie Quinn and I'm running for President," were the opening words of his acceptance speech, and from that point on he blazed a trail very similar to the one Jimmy Carter took in 1976. As Knebel describes it, the result was nearly the same too; only an automobile accident, with Chappaquidick-like adulterous overtones, kept Quinn from the same narrow victory that Carter eventually achieved.

More Coincidence

Perhaps no one in the Carter entourage had read *Dark Horse* when their first campaign plans were being laid; perhaps there is more coincidence in the world than one often expects. Or perhaps this was simply a coincidence of the sort that leads scientists in different parts of the world, working independently, to reach the same conclusions at the same time. Sometimes evidence—scientific, political—is too powerful to be ignored; and in the case of the Quinn and Carter campaigns, the evidence was of differences between our country's social classes. As Eddie Quinn put it in his acceptance speech, it was the difference between those who were privileged and Quinn's own kinsmen, the "average guys":

"We don't belong to exclusive country clubs. Our club is the corner bar or one along the highway strip. My hangout is a tavern in New Brunswick in my home state. When we travel, we don't hire expensive suites in the fancy hotels. You'll find us in a nice, comfortable room in one of the chain motels. We don't play—uh—squash or tennis or seldom golf. We bowl. I bowl with Melheisen's Pontiac on Tuesday nights . . . . And we know that for many years our country has been mismanaged, depleted, corrupted, polluted, and almost bankrupted by the country club set and the front office crowd."

It Sat Well Enough

This went over poorly with the bankers and oilmen of Quinn's own party—so poorly that the very people who had selected him were soon plotting his defeat—but it sat well enough with the rest of the public to put him within inches of victory. It went over well with Jimmy Carter's public too. Since the election, the official Carter sport has been tennis; but during the campaign, it was stock car racing and softball. The redneck brother, the scenes from the farm, the military service, the denunciation of the three-martini lunch—all these showed that Jimmy Carter could (as Richard Nixon would put it) pick the same scabs as Eddie Quinn. The nasty note was never the dominant one in Carter's campaign—unlike Eddie Quinn, he matched his appeals to the common man with suggestions that he had uncommon intelligence; unlike George Wallace, he balanced each phrase of division with two about tolerance and care—but in his own acceptance speech, Carter made the point about class differences as bluntly as any major candidate since FDR has done:

"Too many have had to suffer at the hands of a political and economic elite who has shaped decisions and never had to account for mistakes or to suffer from injustice. When unemployment prevails, they never stand in line looking for a job. When the public schools are inferior or torn by strife, their children go to exclusive private schools. When the bureaucracy is bloated and confused, the powerful always manage to discover and occupy niches of special influence and privi-

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lege. An unfair tax system serves their needs, and tight secrecy always seems to prevent reform."

Carter may find those sentiments inconvenient now, especially the last, but they played an important part in getting him where he is today. In fact, one could do worse in interpreting the 1976 election than to use that paragraph as a guide. Of all the ways to break down the voting results—by race, by religion, by region of the country—one of the most reliable is simply by level of income. If you made less than $15,000 a year—as about 51 per cent of all families in this country do—you most likely voted for Carter. If you made more, you probably voted for Ford. If you were worried about unemployment, you voted for Carter—despite his talk about fiscal prudence. If you were worried about inflation, you voted for Ford. There were more people on the bottom than on the top, so Carter won.

This element of class was a strong presence in the election of 1972, too, although it worked itself out in a different way. The difference between the successful Carter campaign and George McGovern's disastrous run is that Carter presented a consistent front: his cultural symbols appealed to the same class as his economic arguments. McGovern made the same points about jobs, taxes, and privilege as Carter did, but his reputation for "acid, amnesty, and abortion," not to mention the prospect of crawling on his knees to Hanoi, drove the working-class voters right into Nixon's hands. He failed because the cultural power of class is one of the few things that can override economic class interests.

Doctors and Salesgirls

These results make it all the stranger that "class," as such, is rarely mentioned as an explanation for our political behavior—or for much else, in this "classless" society. In England, there is a political party explicitly for the "working class." Here we don't even like to admit that such a class exists, much less that it needs permanent representation.

. . we insist that this is a 'middle class nation. The doctor believes he's middle class because he hasn't yet reached the point of living on capital, and the salesgirl is middle class because she holds a steady job and does not rely on welfare.

Instead, we insist that this is a "middle-class" nation. The doctor earning $80,000, the salesgirl making $11,500—both would probably define themselves as part of the middle class, if forced to choose. The doctor believes he's middle class because he hasn't yet reached the point of living on capital, and the salesgirl is middle class because she holds a steady job and does not rely on welfare. But no one has to think twice to recognize the difference in the daily lives of the two, their different prospects for the future, the different receptions they win from the world. The differences can be defined in terms of income (one fifth of the families in this country make more than $20,000 each year, four fifths make less; only one family in eleven earns $30,000 or more), of culture (bowling versus skiing, Mantovani versus Rostropovich), of education, and occupation, and prestige.

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But the single clearest class difference, the sum of all the other parts, is the feeling of *control*. The professional classes have the luxury of choice among options, mastery of fate, selection from the rich smorgasbord of life. The rest eat what's put before them. Here is how a 32-year-old appliance salesman described it to Lillian Rubin in her book, *Worlds of Pain*:

"We were maybe one step above what you would call white trash. If we thought about it at all, we would have considered ourselves lucky to get through high school. Most of the kids in the family didn't do that.

"There was no demand on any of us for any goal. You see, my father wasn't an educated man. He was taken out of school when he was nine, and him not having an education, it kept him from seeing a lot of hopes for his kids. He can hardly write his own name, even now. Oh, I guess he didn't want us to be just ordinary laborers like he was, but it wasn't even talked about. Like, going to college was never discussed. It never occurred to me to think about it. That was something other kids—rich kids—did. All I knew was that I'd have to work, and I didn't think much about what kind of work I'd be doing. There didn't seem much point in thinking about it, I guess."

Control means that children of the affluent classes do not have their youth stolen from them by early marriage, inconvenient pregnancy, unavoidable jobs. Lillian Rubin remarks on how often working-class men and women still in their twenties use the phrase "when I was young": " 'When I was young'—the phrase spoken by a 27-year-old sales clerk, mother of three, married ten years . . . a phrase that surprised my middle-class professional ears, accustomed as they are to hearing students, parents, children of friends, my own children—all of like age—struggling with problems of identity, reluctant to step into adulthood, still defining themselves in terms of youth and the youth culture. Such an extended psycho-social moratorium and concomitant crisis of identity is, it would seem, a luxury of the affluent middle class—a luxury that belongs to an

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economy and a culture that can afford to permit its young the privileges of adulthood without its responsibilities."

At age 28, a young lawyer is just beginning to practice, a young doctor is still in training, a young academic may still be working on his dissertation. But at the same age, Rubin says, their working class counterparts "felt stuck, thrust abruptly into adulthood, expectedly facing the fear that their youth was behind them. A 28-year-old clerk in a cleaning store, mother of three, married eleven years, sums up those feelings:

" 'One day I woke up and there I was, married and with a baby. And I thought, 'I can't stand it! I can't stand to have my life over when I'm so young.'

"Her 30-year-old husband recalls: 'I had just turned 20 and, all of a sudden, I had a wife and kids. You couldn't just go out any more when you felt like it . . . . We used to run around a lot before he was born, and then we couldn't anymore. I guess it wasn't all his fault; we didn't have money to go places and do things anyway. But I still used to get mad at him, and at her too—my wife, I mean—because I felt like it was on account of them I was stuck.' "

Darkened Brick and Stone

At age 45, the lawyer, the doctor, the academic are all just hitting their stride, their decade of highest earning ahead of them, their greatest choices opening up. At age 45, the electrician Tommy DeCoco, in Richard Price's novel *Bloodbrothers*, knows that such choices as he ever had have now passed him by:

"Tommy cruised through a red light on the deserted road, and turned left up a hill into an expensive residential section. 'Every time I go through here,' Tommy said, maneuvering the car on narrow winding curves and peering at the darkened brick and stone mansions, 'every time I go through here I feel like a fuckin' kid, you know? I feel like saying . . . 'when

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I grow up this is where I'm gonna live'. . . an' then I remember I'm fuckin' 45 an' ain't never gonna live here. I live in fuckin' Co-op City and that's straight life.' "

Likely Earnings

Like "pornography," this kind of "class" is easy to recognize when we see it, but we are reluctant to call it by its name. The reason is that "class" suggests a barrier that is hereditary, permanent, unfair. It hints that individual merit is not the basis of social ordering, a suggestion we are not eager to hear. For, just as the Indian Brahmins tell themselves that merit in their previous life determines caste in the here-and-now, our "equal opportunity" society is based on the premise that we will succeed or fail according to our own desserts. The fault, dear salesgirl, is not in your stars, but in yourself.

As a matter of statistical fact, material and occupational success in America do turn out to follow hereditary lines. A study conducted in 1966, cited in Andrew Levinson's *The Working Class Majority*, found that a child from a professional family was about twice as likely to go to college—and, therefore, to end up earning $25,200, at the top of the heap himself—as a child with identical aptitude scores from a working-class family. A recent Brookings Institution report, called *The Inheritance of Economic Status*, studied the connection between fathers' and sons' incomes and found that 'between 34 and 57 per cent of the variance in economic status was explained by family effects." A child whose parents' income was in the top ten per cent of the sample was likely to end up earning $25,200, while a child from a family in the bottom ten per cent of the sample would probably earn about $11,500. Of children from the top ten per cent, half earned more than $25,000; only two per cent of those from the bottom ten per cent did. This is not even to mention the one hereditary group—the blacks—who remain on the bottom generation after generation.

If we don't take this as prima facie evidence of a class system, it is largely because of the notion of the "meritocracy." In the early days of the republic Americans used the phrase "natural aristocracy" (or, sometimes, "nature's noblemen") to distinguish their financiers and social lions from the explicitly hereditary aristocrats of the old world. Now "meritocracy," as the term in vogue, makes even more explicit the assumption that the differences in people's status are the result of similar differences in their merit.

Earlier Alternatives

To those who have profited by it, the merit system seems patently just, and any attacks on it, like those being debated in the Bakke case, call forth an impassioned defense. In fairness, it must be conceded to the Norman Podhoretzes and Irving Kristols of the world, those who have taken the lead in defending the merit system, that it is a clear improvement on what went before. The alternative, earlier in this century, was the system of Connections: that fellow from the club, your father's roommate from Andover, your mother's society friend—those were the people who got you where you wanted to go. The foreign service, to give an extreme example, was more or less reserved for those who were entitled by birth to a place in the *Social Register*. Waldo Heinrichs, in a book called *American Ambassador* (quoted in Martin Weil's *A Pretty Good Club*), said that the men of the diplomatic service of the early 20th century "only deepened and circumscribed existing ties. They possessed a common background, common experience, and a common liking for old wines, proper English, and Savile Row clothing . . . . Indeed, the Diplomatic Service most nearly resembled a club."

It was not much different in finance, the arts, and much of

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academe. "Quotas," in those days, were not ways of recruiting blacks but of keeping out Jews. Small wonder that blood boiled among students at Bronx High School of Science when they knew that only prejudice and pique kept them from positions they deserved; small wonder that they yearned for a standard they could objectively make or miss. That is the passion behind the merit system, and it is not to be scorned.

But the meritocracy discriminates too—not irrationally, against Jews and immigrants, but sensibly, against the dumb and the lazy. The rationality of the discrimination doesn't lessen the pain of the people on the receiving end; if anything, it increases it. Only the blindest zealots of meritocracy would deny that it is cruel. The question is whether in exchange for its cruelty we reap large social benefits—an equal chance for everybody, an assurance that as a society we'll make the best use of our human resources. If not, if the people Lillian Rubin and Richard Price describe really never had their chance, then our meritocracy isn't a very noble system at all.

Cruelty First

Let us consider the cruelty first. When Michael Young invented the term meritocracy 20 years ago, he did so to warn of its effects. His book, *The Rise of the Meritocracy*, cast a baleful look towards a society in which differences in mental ability, largely inherited, determined social rank. Five years ago, Richard Herrnstein of Harvard caused a tremendous flap when his theory of inherited intelligence was construed, unfairly, as referring only to blacks. That wasn't his point at all; he was saying, about both blacks and whites, that the fairer we tried to make society the less fair it would ultimately be. "Equalizing educational opportunity," he said, "may have the unwelcome and unexpected effect of emphasizing the inborn intellectual differences between people."

Like 'pornography,' this kind of 'class' is easy to recognize when we see it, but we are reluctant to call it by name. The reason is that 'class' suggests a barrier that is hereditary, permanent, unfair. It hints that individual merit is not the basis of social ordering, a suggestion we are not eager to hear.

Most recently, the British conservative Peregrine Worsthorne presented a "Defense of Class" in *The American Spectator*: "Let us consider for a moment the situation in a society where social mobility is totally unfettered by the barriers of class. In such an ideal society, all the bright children would rise to the top and all the dull ones would sink to the bottom. The hierarchy would be determined exclusively on the basis of merit .... Would this really be a desirable development? Plainly not. To have a society in which those on top all deserved to be there and those at the bottom all deserved to be there too, would be far from socially healthy for either group, since the one would be excessively strong and the other excessively weak."

It is no trivial thing, this cruelty of competition; when there are no fetters about the feet of each racer, he has no one but himself to blame for his loss. After her interviews with many working-class families who felt that, on those terms, they had failed, Lillian Rubin wrote about "those who

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have bought into the system, who believe in the ethic of hard work, who believe in the American myth that everyone can pull themselves up by their bootstraps if only they have the will and the brains. What, then, are such people to say to themselves when they don't succeed? They *know* they have the will. There's little left but to accept that they don't have the brains —a devastating self-image from which all people must seek periodic relief and surcease . . . . Some find the respite they need in angry explosions, some in deep withdrawals. Again and again the men and women I met recall parents, especially fathers, who were taciturn and unresponsive . . . . A 25-year-old woman, the oldest in a family of two, recalls: 'My father never seemed to talk or be a part of the family. The only thing I can remember that he enjoyed was working in his garden. He'd come home, eat, and go out in the yard almost every night of the year, even when it was raining. Otherwise he'd just sit quiet for hours, like he wasn't there or something.' "

Lacking the Skills

This is the cruelty of democracy, and there is no way to disguise it. With each step away from the world of master and slave, czar and serf, we open the possibility that some people will be defeated precisely because they lack the skills to prevail. Some people are dumb. Some are lazy. Some lack character. Some have bad luck. This is certainly not an attractive aspect of our system, and it is made worse by the meritocrats' immense self-righteousness and lack of concern for their brothers and sisters among the losers. But any system that functions on the principle of letting the cream rise to the top is bound to cause some pain, offset by the sense that the competition, if cruel, has been fair.

The fairness of the meritocracy today, however, is a phony. We deal from a stacked deck, and then treat the losers as if they had misplayed a full hand.

There is only one way that competition should be judged, and that is on the basis of performance. Not intentions, or hopes, or initial advantages—but results. Consider the tortoise and the hare. In the genuine meritocracy of the fable, the tortoise won the race, through a combination of modest talent and considerable determination. But in our times, the hare would win on form alone.

Accuracy and Inequality

He would win because, in our version of the meritocracy, the competition is over before it really begins. Our system is one in which people's "merit" is judged quite early on, using standards of dubious accuracy that emphasize inequalities of rearing and birth; and then people are channeled on to their fated designations, with few real tests of performance to distract them as they go.

The first step is the aptitude test, given in the grade school years. The test may be arbitrary, it may measure the household vocabulary of the child's parents better than it measures anything else, but on the basis of the results, the children with "promise" are placed on a different academic track from the rest, the better for their own abilities to be developed. The tracks have not yet reached the advanced state of the Japanese system—in which children enter prep school at age three so as to pass, at age five, the kindergarten entrance exams that more or less determine their lots in life—but we are giving the Japanese a run for their money. Our tracks lead on through the end of high school, when the children face the real continental divide. Half of them go on to college, half do not—and in each category the results are remarkably consistent with what the tracks, the grades, and the aptitude tests predicted so many years before. Perhaps that is because the tracks—and the colleges, professional schools, licensing examinations, and tenured professions that

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flow out from them—become self-fulfilling systems, making it as difficult for those on the upper level to fall as for those on the lower level to rise. In an excellent article entitled "Measuring Competence Rather than Intelligence," David McClelland explained what was wrong with tracks and grades this way:

"It seems so self-evident to educators that those who do well in their classes must go on to do well in life, that they systematically have disregarded evidence to the contrary . . . . I looked into the matter and concluded that while grade level attained seemed related to future measures of success in life, performance within grade was related only slightly. In other words, being a high-school or college graduate gave one a credential that opened up certain higher level jobs, but the poorer students in high school or college did as well in life as the top students. As a college teacher, I found this hard to believe until I made a simple check. I took the top eight students in a class in the late 1940s at Wesleyan University where I was teaching—all straight-A students—and contrasted what they were doing in the early 1960s with what eight really poor students were doing—all of whom were getting barely passing averages in college (C— or below). To my great surprise, I could not distinguish the two lists of men 15 to 18 years later . . . . The only difference I noted was that those with better grades got into better law or medical schools, but even with this supposed advantage they did not have notably more successful careers as compared with the poorer students who had had to be satisfied with 'second-rate' law and medical schools at the outset. Doubtless the C— students could not get into even second-rate law and medical schools under the stricter admissions-testing standards of today. Is that an advantage for society?"

All in all, it is hard to think of a more effective way than the tracking system of making sure that class is handed down along hereditary lines.

Consider the tortoise and the hare. In the genuine meritocracy of the fable, the tortoise won the race, through a combination of modest talent and considerable determination. But in our times, the hare would win on form alone. He would win because, in our version of the meritocracy, the competition is over before it really begins.

Everyone knows that doctors' children go to college and plumbers' children often don't. The doctors tell themselves that's because smart parents have smart children, and no doubt that is partially true. But it's not true enough to explain why educational levels and occupational success follow family lines so much more closely than does skill as a champion athlete—which presumably depends just as heavily on inherited traits. Nor is it true enough to account for the complete certainty professional parents now have that their offspring will inherit their estate in life. In a truly competitive system, they would not be able to write, as Midge Decter did several years ago to the children of her professional-class peers:

"As children of this particular enlightened class, you were expected one day to be manning a more than proportional share of the positions of power and prestige in this society. You were to be its executives, its professionals, its artists and intellectuals, among its business leaders; you

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were to think its influential thoughts, tend its major institutions, and reap its highest reward. It was at least partly to this end that we brought you up."

Spared Further Judgments

The meritocracy also departs from the principles of true competition because once each group is set on its track, the top group is spared—and the bottom group denied—further judgments on the basis of performance. Only a generation ago, most colleges and professional schools admitted far more freshmen than they intended to graduate as seniors. Whoever failed to perform would be weeded out. Now the schools, like the professions they feed, have adopted a sort of premature tenure system; anyone who makes the first cut has a secure berth. The tenure system is the most anti-meritocratic notion imaginable, but it is the meritocracy's constant handmaiden. Those who do not flinch at cutting off half the population's chances at age 15 would rather die than put a professional in his 40s out of work.

No doubt, a truly competitive system would be crueler to college students, doctors and lawyers, executives' children. More people would flunk out of college; more would fail in their professions; more children would lack a guarantee that they would achieve their parents' level of success. There would, in fact, be as many washed-up doctors, lawyers, and academics as there are now washed-up writers and athletes, to choose two of the professions where there is still constant pressure to perform.

But if such a system would give some people a rougher time than they're accustomed to, it would also open room up for those who can perform, even if they missed the early cut or lack the right credential. There was no one better suited in this country to handle an income tax case than Laurence Woodworth, who died last year after nearly 40 years as a tax advisor to congressmen and finally, to President Carter. But Woodworth could not have taken your tax case, because he lacked a law degree. Any one of the nation's hundreds of thousands of lawyers *could* take that case, even if there was nothing in his pedigree to guarantee that he had ever taken a tax course, had a flair for this kind of law, or was likely to perform. If you were taking the case to court, you would want, above all else, someone who had a cross between a debator's skills and an actor's, who knew how to read jurors and make his points in a way they could not resist. Unfortunately, you'd have to make your choice from among the ranks of people whose professional training bears only rough resemblance to the skills you seek. The greatest courtroom lawyers often barely scrape through law school, because there is so little connection between what they can do well and what the school can measure.

Skill as a Surgeon

Beneath all the glories of professionalism lies this inconvenient fact, that professional credentials bear only a rough resemblance to the ability to perform. Yes, high scores in organic chemistry are necessary for diagnostic specialists or for medical research. But they have little to do with skill as a surgeon. Yes, a lust for the archives is important for certain kinds of scholarship. But it says nothing about the ability to teach. These distorted and imprecise credentials, which restrict some people who could perform and license others who can't, are the natural result of the whole meritocratic structure, with its tracks, its early decisions, its obliviousness to later results. As long as we rely on this structure, measuring potential rather than performance, encouraging phony competition instead of the real thing, there are two kinds of people we are going to freeze out.

The first group is the people who are not early bloomers because they

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Betty Medsger
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never had a chance to bloom at all. Blacks are the most obvious example; to read the autobiographies of Claude Brown, Malcolm X, Richard Wright, and others is to know that, for people of their class, "meritocracy" is a ludicrous conceit. When their talents are recognized, it's usually because of some wild happenstance; those who don't get the lucky break are not recognized at all. Recently *The New York Times* reported that while 70 per cent of white law school graduates pass their bar exams, only 34 per cent of black graduates do. There are only two explanations for this: either blacks are inherently twice as stupid as whites when it comes to the law, or else whatever tracking system shunted the blacks off many years before had a remarkably permanent effect. What this suggests is that the issue debated so hotly in the Bakke case—affirmative action in professional schools—will never be terribly important. The time to equalize opportunity is at the beginning of the race, not near the end.

The other class that's frozen out is made of those whose talents don't fit into the narrow range recognized by aptitude tests and college exams. Consider for a moment just how narrow a range that is. Honesty is not on the list. Nor is Good Nature. Reliability. Humor. Persistence. Drive. There are even some qualities, such as Originality or Character, which by the meritocracy's measure are liabilities. While those at the very top of their college classes—the A students—usually are smarter or harder-working than the rest, those one level down, the A- students, often differ from their B+ peers in their greater willingness to cut corners in the quest for grades. Even the professions themselves realize that there is more to life than answering multiple choice exam questions. Those who get into medical schools are largely the ones who are good at taking tests, but those who end up leading the professions—or becoming chief executives in business, or excelling in government or law or academics—are the ones who possess a mixture of the other, untestable qualities too. Consider the example of Ulysses S. Grant, standard-bearer of the late bloomers whom the meritocracy would pass by. Even granting the poor record of his two terms as President, Grant was clearly one of the great men of the 19th century. He was the ablest of the Union generals, the one Lincoln turned to to reverse the tide of blunder and to keep inept Northern generals from frittering away the North's great natural advantages over the South.

Grant and Galena

Grant had gone to West Point only because his father, an Ohio tanner, leapt at the opportunity to educate his son for free. Once there, Grant looked for ways to escape. He later wrote: "About the time I entered the academy there were debates in Congress over a proposal to abolish West Point. I used to look at the papers and read the Congress reports with eagerness to see the progress the bill made and hoping that the school had been abolished." By the time he graduated, Grant was still eager to escape the military, hoping perhaps to teach mathematics somewhere. But he was packed off to fight in Mexico under Zachary Taylor and, when the war was over, moved from post to sleepy post as a quartermaster. He became an alcoholic and got into a fight with his commander when he was too drunk to count the payroll. At the age of 32, he resigned from the service rather than stand trial. 'The seven years that followed," Edmund Wilson wrote, "were equally depressing: he tried several occupations—selling real estate, clerking in a custom house, running for county engineer—and failed in every one. He was regarded at one point, in St. Louis, as so hopeless a down-and-outer that, fearing they would be asked for a loan, people sometimes crossed the street in order not to meet him. He ended by working in a leather store—in Galena, Illi-

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nois—which was run by his two younger brothers."

But then the Civil War began, and at 39 Grant volunteered and was able to perform. He showed a combination of calmness and concentration that made him the most successful of all Union generals. Adam Badeau, his military secretary, wrote that as the shelling at Petersburg grew intense, "several of the officers, apprehensive for the general's safety, urged him to move to some less conspicuous position; but he kept on writing his orders and talking, without the least interruption from the shots falling around him, and apparently not noticing what a target the place was becoming or paying any heed to the gentle reminders to 'move on.' After he had finished his dispatches he got up, took a view of the situation, and as he stared toward the other side of the farmhouse said with a quizzical look at the group around him: 'Well, they do seem to have the range on us.'. . . This calmness was the same in the greatest moral emergencies. At the surrender of Lee, he was as impassive as on the most ordinary occasion, and until some of us congratulated him, he seemed scarcely to have realized that he had accomplished one of the greatest achievements in modern history."

Upper Class Family

Like Grant, Winston Churchill would also have failed our current meritocratic tests. If he seemed, by the end of his career, to embody all the qualities that made Britain survive rather than fall, he appeared, for the first two decades of his life, simply another dull son of another upper class family. Two things gave him a chance to show he could perform: a respectable name and a mother who not only knew there was something special about this boy, if only he'd have a chance, but also did everything possible to make sure that her friends in the military, journalism, and politics gave Winston his chance.

Aristocratic names can still serve as life-rafts for their bearers: if you are born a Saltonstall or an Aldrich, you will have a few extra years to prove you might have some special quality, buried as it might be. The spirit of Churchill's mother is to assume that everyone may have something special, to look for it constantly, and to give it every chance to develop, rather than dumping overboard as many people as possible as early as possible because they can't pass a few narrow tests.

. . . arguments against tracking and tests are often taken to be arguments for a society in which no one is graded, no human difference is admitted, no judgments are made. We need, in fact, the opposite of such a system, with many more standards to be met, much later in life, and all of them based on *performance*.

Putting more effort into finding the Grants and the Churchills is important, because it helps provide us with a real merit-based system of social ordering, with the real benefits a meritocracy is supposed to have—a fair chance for individuals, and efficient use of talent by society. To do this, we need new ways to govern the process of getting ahead in America.

The first step is getting rid of the track system. In theory, tracking keeps bright students from being held back by their dumber brethren. In practice, as everyone must remember from school days, bright students will

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get special attention—from teachers, from parents—no matter how the school system is arranged. By the time the students get to college, it may make sense for them to be hived off according to their different interests, talents, and tastes. Before that it does not, because the lasting effects of this early segregation—which cuts each class off from the other classes of society, which denies children knowledge of the human strengths and weaknesses of people from different walks of life—outweighs any good it can do. The bright children of the hinterlands—whether Abe Lincoln or Willie Morris or Jimmy Carter—have not suffered because they went to un-tracked, rough and tumble public schools. In fact, their most admirable qualities come from being exposed to a far richer slice of humanity than the "tracked" high school could embrace.

Instinct for the Real World

Second is to expand the range of abilities on which young people are judged. Standardized tests will never be able to measure more than standardized skills, which is precisely why the aptitude and college-entrance exams should not be able to shunt a student off the mainline of opportunity and self-respect. If we must still make judgments and exercise discrimination—as we should—it should be on standards that do justice to the range of talents we want ultimately to reward. Those who don't have a talent for, say, math, should not be made to suffer lifetime exclusion from the law or government service or medicine because of it. Those who have an instinct for the real-world situations that demand performance but view school work as a charade should have a chance to prove their skills in the working world.

The last step may come as a surprise, since arguments against tracking and tests are often taken to be arguments for a society in which no one is graded, no human difference is admitted, no judgments are made. We need, in fact, the opposite of such a system, with many more standards to be met, much later in life, and all of them based on *performance.*

Long After the Deadline

This will be painful, for regular performance testing will weed the tenured professions of those who have stopped trying. The State of New York is proposing a step in this direction by examining the performance of doctors throughout their careers. But more importantly, it will allow people of talent to enter them long after the present deadline. The ability to teach—to take the most obvious example—has almost nothing to do with degrees from the state teaching school. Why not let those without degrees teach, if they can prove that they're able to? A bookkeeper who's been at it for ten years knows as much as most accountants—so why not let him take a step up the status ladder if he can demonstrate the ability to perform? Machinists who are good enough to become engineers, should be able to. People like Laurence Woodworth ought not be barred from practicing tax law.

The contrast between performance testing and the credential-inspection of the modern meritocracy is well illustrated by the United States Army. During peacetime, the Army is traditionally professionalized—that is to say, run on principles other than performance. To attain a position of leadership and responsibility, you have to have made the first cut for education as an officer. No matter how able he is, an enlisted man will have trouble in peacetime rising above sergeant. But during war, a contest that will be won or lost, nothing matters but performance, and all the rules are changed. Talented sergeants win commissions, based on their conduct in the field. Middle-aged captains and majors, kept from promotion because the upper ranks were filled with tenured graybeards, become generals. In 1940 Dwight Eisenhower was

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a 50-year-old major, and Douglas MacArthur was 60 and retired. Two years later they were commanding the American forces in Europe and the Pacific, because we needed their talent more than we needed the rules that had been keeping them from using it.

World War II was also our last major illustration of first-hand contact among the classes. People from the *Main Line* went through the draft along with boys from downtown Philly; they spent years together learning who they could rely upon and who they could not. At the end they had an understanding of one another based not on distant stereotypes, which so often veer into romanticism or contempt, but on a realistic appreciation of each group's weaknesses and strength. Such understanding is all too rare in these days of class segregation by residence, education, and occupation.

The Most Poisonous Aspect

On the battlefield, in the arena, competition produces anguish, and a true meritocracy would create winners and losers too. But we would be rid of the most poisonous aspect of the bogus merit system, which is the unfairness of its success, and the automatic self-perpetuation of the successful.

It might prepare us, too, to purge the other poison from our social system-the noxious desire of those who have succeeded to humiliate those who have not. Nothing makes success more important in today's meritocracy than the denial of self-respect to those who fail. In this area as in others, Japan sets an example with its widespread suicides among children who do poorly on entrance exams.

The antidote to this self-righteousness is a realization of the chanciness of life. In the true competition of the sporting world, victory and defeat often turn on random chance—the toss of a coin, an official's call, a ball that hits the foul pole and falls one way instead of the other. The champions we hate, like Jimmy Connors, are those who exult in their victory, shove their opponents, and refuse to admit the influence of luck.

In today's meritocracy, even more depends on chance than in the sporting world—which parents we are born to, which schools we attend, which teachers (or policemen) we encounter, and in which direction they point us. In the fair competition of a performance-based system, luck would still play its part. One actress gets her break when the star comes down with laryngitis; another does not. One student hits a streak of teachers whose personalities click with his; another does not. One assistant is nearby when the boss needs help; another is not. One businessman wants to work night and day to make his first million; another will give his family first claim. None of this will change. But a world where each of us is thrown on our own resources, rather than protected from chance by the cocoon of early advantage, may give each of us more sympathy for those to whom chance has not been kind. In such a world, there will be few who will not know that a small difference in their mixture of good and bad luck might have made a big difference in their success or failure.

Admitting chance destroys the self-righteousness of success; it is the beginning of understanding, and of love. It will not remove the pain of failure. People will still get fired, and flunk out of school, and lose the big case, and get edged out for that great job. All this is part of the cruelty of democracy—if you give everybody a fair chance to compete in America, there will of course be bruises. But that's far better than the pain of class, the knowledge that getting ahead is impossible and that your fate in life is sealed by the circumstances of your birth. Some winning and losing is part of life in America. Having the society divided into huge groups that fear and hate one another and never mingle is not. ■

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The CIA in Vietnam:

UPI Photo

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Nation-Builders, Old Pros, Paramilitary Boys, and Misplaced Persons

by Joseph Burkholder Smith

Nobody has yet come out and said that the CIA is to blame for the precipitous collapse of South Vietnam in April 1975, but a couple of recent books come close. They are *55 Days* by Alan Dawson, who was UPI's last Saigon bureau chief and stayed on for five months after the communist takeover; and *Decent Interval* by Frank Snepp, a CIA officer in Saigon who quit the agency because he felt it was covering up its own blunders in the final days of South Vietnam. Both writers accuse the CIA of fairly spectacular incompetence—usually the least of the charges that are levied against the agency, and something that I, as a moderately loyal former CIA agent, find troubling. If the CIA really did botch things so totally, it's worth looking for the reasons why so it won't happen again.

Dawson says the South Vietnamese Central Intelligence Agency, a creation of our CIA, repeatedly fed President Thieu and his generals false information about the location of the North Vietnamese army during the crucial highlands campaign of March 1975. North Vietnam's conquest of this territory led to the panic and, soon afterwards, the total disintegration of the South Vietnamese military forces. The South Vietnamese based their highlands battle maps on plans made by one of their intelligence sergeants, a man named Le Er Tang. On April 28, 1975, Tang disappeared, but his superiors didn't notice his absence, since most of them had already fled to Guam or the Philippines. Five days later, he resurfaced—as Captain Tang, chief of the North Vietnamese military battalion in Ho Chi Minh City, formerly known as Saigon. Tang told Dawson how much fun he had had duping the CIA's Vietnamese allies and gave him an autographed pith helmet when Dawson left Saigon.

Dawson also accused Tom Polgar, the last CIA station chief in Saigon, of spending his time dealing with a side issue of diplomacy rather than the war itself—bargaining with Hungarian and Polish representatives in Saigon. The Hungarians and Poles were members of the International Commission of Control and Supervision, an organization established to oversee the 1973 Vietnam cease-fire agreement. Polgar, says Dawson, saw the Eastern European communists on the commission as a key conduit to settlement with the North Vietnamese, which they weren't.

Frank Snepp also accuses Polgar of this, and of far worse too. His book shows Polgar and the American ambassador, Graham Martin, deliberately misrepresenting intelligence information in their reports back

Joseph B. Smith was a high official of the CIA until he retired from the agency, after 25 years in it, in 1975.

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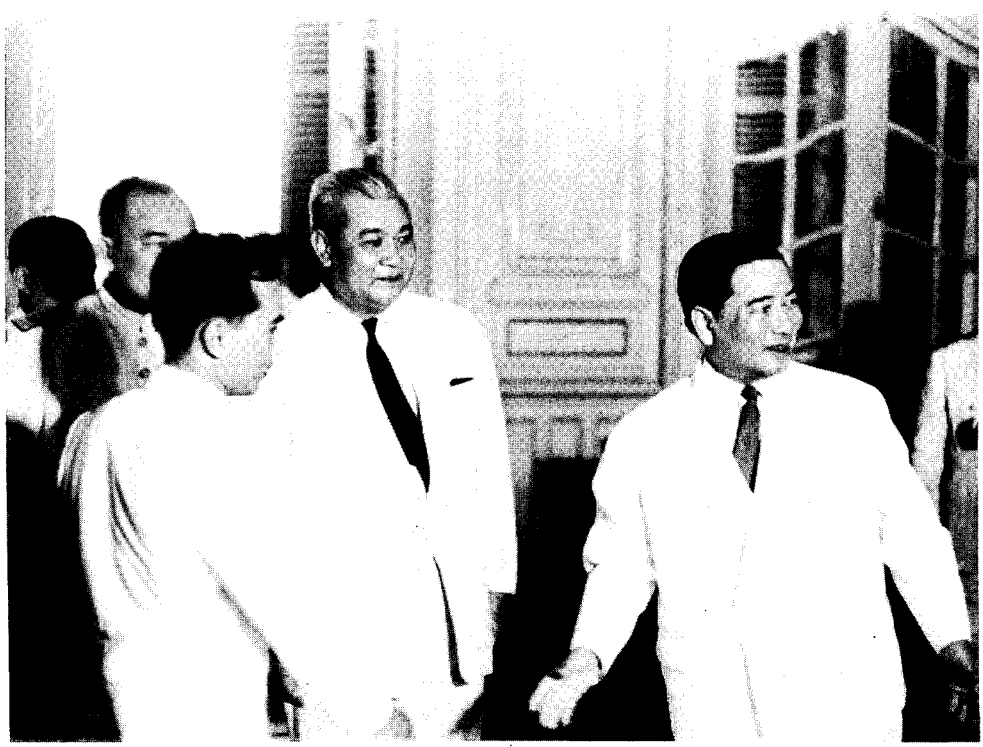
home. Because of their refusal to accept as fact the imminence of the communist victory, says Snepp, there was no time to prepare a careful and thorough evacuation operation. So thousands of Vietnamese friendly to the United States (and mountains of U.S. intelligence files) were just left behind. Certainly most of the anti-communist Vietnamese who we didn't have time to evacuate were "relocated" (that is, in many cases, killed) by the victorious North Vietnamese.

No doubt Snepp's book is causing apoplexy at CIA headquarters, which is too bad, because it deserves to be studied rather than just damned as a security breach. Snepp has some valuable things to say about the CIA, and some things he doesn't describe directly—the forces that underlay the errors he recounts—are particularly important to understand in order to avoid future mistakes. Snepp is right in criticizing the CIA for its part in the abandonment of Vietnamese who had come to rely on us. I think he's wrong in not placing that crime in its larger context. There are two important lessons to be drawn from the events Snepp describes: that policymakers will ignore intelligence that shows they have taken the wrong course of action, and that CIA stations will oblige this inclination by providing intelligence that shows the policymakers they were right.

The Conventional Wisdom

From the mid-sixties on, anyone I met in the halls of the CIA's Langley headquarters was likely to tell me that we had too many people in Vietnam; that was the conventional wisdom around the agency. "What are we doing there?" people assigned to other countries would ask. Those who were more in the know would say, "Helms doesn't like it at all, but he can't do anything about it." At the height of the war, the CIA needed so many people in Vietnam that all divisions of Clandestine Services had to send a



UPI Photo

The CIA's great white hope, Ngo Dinh Diem (right), at a reception in 1962.

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quota of 20 per cent of their agents there; the regular Far East staff just wasn't big enough.

The reason why Vietnam was such a big deal for the CIA goes back to the beginning of the Cold War. The CIA's Clandestine Services was, from the early fifties on, the unofficial Cold War arm of the U.S. government. As such, it did not just collect intelligence; it also was supposed to contain the spread of what we used to call "world communism," in every corner of the globe. We obviously weren't going to launch a nuclear strike against the Russians. And in the early fifties, our army wasn't trained for the alternative means of stopping communism—counter-insurgency work. Only the CIA at that moment had the ability to do the job.

And that was the moment when we got involved in Vietnam. In March 1954 Secretary of State John Foster Dulles said, "Under the conditions of today, the imposition on Southeast Asia of the political system of Communist Russia and its Chinese ally, by whatever means, will be a grave threat to the whole free community. The United States feels that the possibility should not be passively accepted but should be met by united action." Two months later, Ho Chi Minh's forces beat the French at Dien Bien Phu, and in went the CIA. The agency had people trained to organize a counter-intelligence effort in Saigon. It had paramilitary specialists who could help the South Vietnamese reorganize their armed forces. It had experts in psychological warfare and covert political action who could help keep a pro-American government in the South strong. All these were seasoned personnel: they were fresh from the Philippines, where they had helped defeat the communist Hukbalahap uprising and elect Ramon Magsaysay president.

The South Vietnamese government at the time was headed by Emperor Bao Dai, a puppet of the fast-retreating French. Ho Chi Minh's armies, or their civilian allies, controlled most of South Vietnam. I was stationed in Singapore then, and British intelligence officers there told me that they thought the United States was mad to try to prop up South Vietnam. Even the CIA's own National Intelligence Estimate said the chances of survival of any non-communist government in the South were near zero. But Dulles cheerfully ignored all this evidence. He wanted intelligence that agreed with his decision to go into Vietnam.

Soon Colonel Edward Lansdale, the CIA man who had masterminded the Philippine success and discovered Magsaysay, was in Saigon with his new protege, Ngo Dinh Diem, known to everyone in the agency as "Lansdale's new Magsaysay." Many of the American and Filipino agents who had run the Philippine operation were there as well, along with scores of other CIA personnel. The United States also sent vast military and economic aid to South Vietnam, but it was the CIA that midwifed the rebirth of South Vietnam. It created the Vietnamese intelligence and public information services. It built mass anti-communist organizations. It set up a program to relocate refugees from North Vietnam. It even brought in a Filipino CIA collaborator to write the new Vietnamese constitution.

All this had worked in the Philippines (never mind whether it was right), so the CIA assumed it would work in Vietnam. But the Filipinos are predominantly Catholic, while the Vietnamese are Buddhists or followers of eclectic native religions like Cao Dai. In 1954 our best statistics showed that despite years of ardent effort by French priests, only 1.5 million of the 20 million Vietnamese had been converted to Catholicism.

Still, the CIA was accustomed to using priests as the principal agents of its propaganda operations in Indochina. This was a comfortable pattern for the priests, but completely lost on the Vietnamese. I once suggested that we propagandize using themes promoting pride in the native Cao Dai

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UPI Photo

U.S. Ambassador Graham Martin, shortly after leaving Vietnam.

religion, contrasting its (and our) openness to new ideas with the closed ideology of communism. I was told this couldn't be done—our people were Catholics and wouldn't talk to Cao Dai followers. This stand was not based solely on religious conviction: the CIA's people couldn't speak Vietnamese.

In short, the CIA, as bureaucratic organizations often do, went charging full steam down an impracticable path in Vietnam. We sized up the situation not according to what it required, but according to the preconceptions of the American officials in charge. It was always fascinating when a new chief of station came on the scene. He would immediately change the way persistent problems were being handled to fit the way he had successfully handled something completely different elsewhere.

By the time the events Frank Snepp and Alan Dawson describe overtook the country, the CIA's personnel in Vietnam could be put into four general categories: the nation-builders, the old-pro "classical" intelligence officers, the paramilitary boys, and the misplaced persons.

The CIA's Liberals

The nation-builders were the officers who came to Vietnam straight from the Philippine operations, or their spiritual descendants. They were the CIA's liberals: they believed the United States had to understand "the hearts and minds of the people" of Southeast Asia, and then help those people reinforce their natural social structure. Being natural, the social structure was presumed to be anti-communist. The nation-builders wanted to save the Vietnamese from totalitarianism, and they saw the CIA as the best means to that end because it was clandestine and flexible, low-profile, and immune from political pressures. Non-CIA American personnel in Vietnam, the nation-builders felt, didn't understand the Vietnamese

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and were blunderers and second-raters as well.

The old-pro intelligence officers saw things more narrowly. Building nations might be the long-range goal, they thought, but the CIA's primary role was to gather intelligence and mount protective counter-intelligence operations to maintain the United States' position.

The paramilitary boys were of varying ideologies; their main allegiance was to using gung-ho techniques—paratroopers, guerilla warfare—to accomplish the CIA's goals in Vietnam. They were always called boys, although some of them were well into middle age, because of their enthusiastic, super-macho style. They weren't known for their maturity. But many of them were genuinely young too, apprentice officers on their first assignment.

Eventually the CIA saw that it was unwise to send all of its promising young manpower on high-risk missions in Vietnam, so it devised another system for filling its heavy personnel needs in Southeast Asia. The agency began to hire temporary employees on contract, for paramilitary assignments. These free-lance paramilitary boys were a motley crew: soldiers of fortune, ex-Green Berets, ex-paratroopers. But still more people were needed, and the agency began requisitioning a quota from all divisions of Clandestine Services.

These requisitioned agents were the misplaced persons. As might be imagined, the way they were selected meant that they were often the people with the lowest efficiency ratings in the divisions that were forced to make them available. Headquarters made a considerable effort to deny this, but the facts of organizational life always prevail in such situations. A division chief, like a pro football coach when there's an expansion draft, will always put his best players on the protected list. At best, the misplaced persons had little feel for the situation, scant interest in their assignments, and not

When Joseph B. Smith's book, *Portrait of a Cold Warrior,* was published by Putnam in 1976, it attracted practically no attention, perhaps because it made no sensational disclosures about the CIA, as other books did at the time. But Smith's book provides the most convincing picture available of what life in the CIA was really like and as such it deserves to be resurrected. Here are a few tidbits:

On the Early Days of the Agency:

"Employees were instructed never to reveal the fact that they worked for the Clandestine Services nor even admit they worked for CIA. Yet no one bothered to give new employees a cover story. Where a new member of the Clandestine Services told his neighbors he worked was left to the ingenuity of the employee. In the essential matter of a credit reference for landlords and opening bank and shopping accounts, every employee was given the same name to use—Viola Pitts, 2430 "E" Street, N.W. . . .

"The majority of my colleagues were young. The exceptions were men about ten years older than the rest, who always entered the cafeteria wearing hats. Hats had disappeared from the dress of younger men. Not only did these older men wear hats, but they nearly all wore them the same way, tucked low over their brows.

"I couldn't help commenting on the hat wearers to my new friend John. He explained, 'You'll find out all about it when you get to Clandestine Services training, but since this may take a while, I won't keep you in suspense. First of all, these guys are either former FBI men or former officers in the Army Counter Intelligence Corps. They were taught that it is essential for a secret agent to wear a hat.'

" 'How's that again?'

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much effectiveness in contributing to the Saigon station's demanding mission.

Frank Snepp was a misplaced person. He joined the CIA to avoid being drafted and sent to Vietnam. He first worked as an analyst of NATO affairs in the European division. When the application to "volunteer" for that division's Vietnam quota showed up in his office one day, some of his colleagues jokingly filled in his name without his knowledge. When the assignment came through he protested, but he was told that if he didn't take it he would never be able to go overseas again, which would seriously cripple his CIA career. "Faced with the choice between no protection at all from the U.S. Army and two years in the embassy in Saigon," he writes, "I reluctantly opted for the latter."

Snepp's job in Vietnam was strategy analyst, a task so specialized that any field station less huge than the one in Saigon would be unlikely to have anyone doing it full time. Besides reflecting the size of the station, the existence of the job was also the product of a trend in intelligence reporting. Originally, CIA field stations were responsible only for collecting raw intelligence—that is, stolen documents and reports by secret agents. The CIA's less-secret Directorate of Intelligence, not the field stations or Clandestine Services, did all the analysis. The idea was that analysts, at a distance from the sources of raw reports and with large stores of other information at their command, could make better sense of a critical situation than a man on the spot could. People in the field were under a lot of pressure, and were thought to be unable to produce thoughtful and thorough analyses.

During the sixties and early seventies, however, the reporting system changed. President Kennedy made it known that he preferred reading the

" 'You gotta wear a hat. It's the best way to be anonymous,' John replied.

"According to the FBI training manual, John said, a hat makes it difficult for an onlooker, a passer-by, and, most importrtant of all, the secret agent's enemies, to identify the person wearing it. Ergo, wear a hat and be difficult to spot.

". . . . it took ten years for the Clandestine Services to realize that the quiet man in the corner in the hat was the most conspicuous person on the block, not the least."

On Deciding to Intervene in Indonesia (and in Chile):

"So we began to feed the State and Defense departments intelligence that no one could deny was a useful contribution to understanding Indonesia. When they had read enough alarming reports, we planned to spring the suggestion we should support the colonels' plans to reduce Sukarno's power. This was a method of operation which became the basis of many of the political action adventures of the 1960s and 1970s. In other words, the statement is false that CIA undertook to intervene in the affairs of countries like Chile *only after* being ordered to do so by the 5412 Committee, the Special Group, the 303 Committee, or the 40 Committee, the small group of top National Security officials who acted in the President's name under these various labels throughout the cold war. In many instances, we made the action programs up ourselves after we had collected enough intelligence to make them appear required by the circumstances.

On Getting Ahead:

"A flaw in us all, in those days of great adventure, was career opportunism. Someone said to me during the Philippine election campaign of 1959, 'If you win, you'll be known as the second Ed Lansdale.'. . . All the officers . . . were keenly aware of what a victory over Castro would mean to them. Dave Phillips, the

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direct and immediate reports of people in the field to the convoluted hedging that the analysts at Langley often produced. Being a man of action, Kennedy instinctively felt the man on the spot knew what he was talking about better than some closeted intellectual scholar. Presidents Johnson and Nixon, though not the voracious readers of intelligence reporting that Kennedy was, shared his feelings about the relative merits of intellectuals and men of action.

So CIA field stations began to prepare lengthy reports to be read directly by policymakers who wanted the best possible feel for the situation. The ambassador and his staff also began to comment on the field reports. As a result, station reports officers, who in the old days were mainly proofreaders, became more important—after all, now that the President was reading reports from the field, those reports had to be well written. The people in the CIA who were good at writing reports were the analysts back in Langley, so they were often just shipped over to field stations to do their rewrites, which could then be labeled field appraisals. I guess some of these transplanted rewrite men must have been given impressive-sounding titles like "strategy analyst." Anyway, Frank Snepp ended up in Saigon.

From that vantage point, you see some things and don't see others. While I think Snepp is quite right in saying the station grievously ignored its responsibility to the Vietnamese, I think he didn't know about some of the other problems his chief, Tom Polgar, was busy facing.

As is usually the case at CIA stations, cover was inadequate to nonexistent. The State Department has never permitted CIA officers to be integrated into the Foreign Service as Foreign Service Officers, which would be the ideal cover. All CIA officers are given the title of Foreign Service

propaganda chief of the task force with whom I worked . . . tried to recruit me to go to Miami by saying, 'It will be good for your career. You better join us before it's too late and you've missed the boat.' "

On Relations with Other Agencies:

"The Operations Coordination Board, OCB, was established by the National Security Council to insure all operations of all U.S. agencies working abroad acheived some common purpose. . . . I recall sitting on OCB panels on Indonesia and Malaya. Each agency representative had obviously been briefed about whatever the proposed U.S. objective toward the country of concern might be; his job was primarily to safeguard the role his agency wanted to play in regard to it. The result was that every point was compromised so that, in the end, no one's toes were tread upon, but no action responsibilities were ever put in forceful terms or even very clearly. As the CIA representative, I was always instructed to say nothing specific but to insist that what we might do about any matter was to be subsumed under some such clause as 'other agencies will take appropriate action.' "

On the Aftermath of the Bay of Pigs:

"A familiar experience was seeing all those who had been directly responsible for the Bay of Pigs operation being promoted. Being part of a major disaster always led to success in the Clandestine Services for officers below the very top. Thus, although Allen Dulles and Richard Bissell lost their jobs before 1961 had ended, Tracy Barnes had a new division created for him, Domestic Operations Division, and Howard Hunt went to work for him. Jake, the man who directed all daily operations of the Cuban task force, serving directly under Barnes, was made chief of operations for the entire Western Hemisphere Division. Dave Phillips went off to a senior field assignment in Mexico City. Gerry Droller became a special assistant for political operations to J.C. King and began traveling around Latin America to drum up projects for spending our new funds."

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Reserve officer or, if they're low-ranking, Foreign Service Staff employee. During the 1950s, the State Department phased out its own Foreign Service Reserve officers at embassies, and real Foreign Service Staff employees are now only clerical. Thus in every embassy there were these peculiar people, occupying offices apart from the rest of the staff (the top three floors in Saigon were off-limits to State Department employees), bearing strange job titles, and usually listed in the State Department register as Foreign Service Reserve officers. In other words, to anyone vaguely familiar with the Foreign Service system it was clear who the spooks were.

This situation was especially bad in Saigon because the CIA felt it necessary to sweeten the bitter dose of a Saigon assignment (especially for the discontented misplaced persons) by throwing in various perquisites. The CIA staff in Saigon were readily identifiable to everybody else because they had 25-percent salary increases, their own hotel, swimming pools, special doctors, paid vacations, separation allowances for their families, and Ford Pintos. They were the conspicuous consumers of the embassy. It was Polgar's job to keep them at least slightly invisible, and to prevent the regular State Department staff from undergoing fits of jealousy at the perks their CIA brethren were getting. It was a touchy situation, requiring great skill at office politics.

Obviously Polgar's position with the American ambassador was a delicate one, made more delicate because the ambassador was technically his boss. Since the Kennedy Administration, CIA station chiefs have operated under written instructions that make it explicitly clear that the ambassador is in charge of all activities of all components of the U.S. mission. During an earlier stint as ambassador to Thailand, Graham Martin had thrown General Richard Stilwell, chief of the military aid mission there, out of Bangkok to show that he took this directive seriously.

Even if Polgar had decided to confront Martin, he lacked the kind of intelligence information he needed to do so. Throughout his book, Snepp provides examples of field appraisals he wrote that he couldn't get Polgar to accept as the true picture of events. They're very intelligent examples of interpretive work. But they're short of hard facts, which are the only thing that would give a CIA station chief the bureaucratic muscle to go successfully over an ambassador's head.

His Strong Inclination

Still, it's probably true that Polgar's strong inclination, and the strong inclination of his superiors at the CIA, the State Department, and the White House, was to ignore intelligence that differed from what he wanted to hear. This is the constant, painful problem CIA officers face in every important moment, and it has haunted the agency for 30 years. Men of action--a Kennedy or a Nixon or a high CIA official—don't, once they're launched on a course, relish turning back. No one from Polgar on up wanted to hear that the end in Vietnam had finally come and that it was so completely ignominious. They were living in a dream world. The blood and money squandered in Vietnam from the moment John Foster Dulles refused to accept the reality of French defeat bore down too heavily on their better judgment.

So Polgar spent his time trying to negotiate some sort of settlement through the Hungarians and the Poles. He surely knew this was a gamble, but it did have a worthy object; if he had succeeded, there would have been no need to worry about anti-communist Vietnamese desperately trying to escape or files falling into enemy hands. What Polgar should have realized is that the gamble wasn't going to work. He didn't because he was committed to an impossible policy and was trying desperately hard to make it work. ■

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Memo of the Month

ADMINISTRATIVE MEMORANDUM

OFFICE OF THE LEGAL ADVISER

Number 5B
June 13, 1977

SUBJECT: Additional Responsibilities of the L Duty Officer

Effective immediately, in addition to the responsibilities listed in the earlier memoranda identifying the responsibilities of the L duty officer, upon arriving in the Office on Saturday mornings the duty officer should get a copy of the NEW YORK TIMES for the Legal Adviser's Office.

The following procedure should be used in order to get a copy of the NEW YORK TIMES:

Take the freight elevator closest to the Office of the Legal Adviser (next door to L/PM, Room 6429) down to the basement. Turn left through closed double doors and follow corridor to the left until you reach Room B-528. Ask the attendant for the Legal Adviser's copy of the NEW YORK TIMES.

If you have any difficulty in obtaining a copy of the NEW YORK TIMES following this procedure, inform L/EX of this fact the following Monday morning.

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The Woes of a Government PR Man

by Donovan McClure

"INKING . . . Robert McKinney, new Top Tilsit of the Federal Home Loan Bank Board—he's an Indianapolis millionaire and a big buddy of Jimmy's from Way Back—zipped out to San Fran to make a Heavy speech last week. Earwigs: Hardly anyone here noticed. So Bob called in his nice new flack of three weeks. "How come I didn't get any Ink in the East?" he asked. And canned the guy. Here's some ink, Bob."

There wasn't a dry eye in the National Press Club bar the November evening that item appeared in the gossip column of *The Washington Star*. So profound a point did it make that one veteran public relations man cancelled his seat at the poker table and began checking the story's authenticity, thus breaking the cardinal rule of PR—don't check it out, you may kill it.

But investigation turned up only one inaccuracy: Bob McKinney didn't make his complaint directly or fire into the whites of his victim's eyes—he did it through an aide.

What the story shows is the woeful lot of the public relations man, especially in Washington, where the bosses are particularly ambitious and free publicity is particularly hard to come by. Washington is a city where the press is a lot tougher than wet-behind-the-ears appointees realize—or maybe they do realize it, and would rather just blame their publicity difficulties on their PR people out of convenience. In any case, it's the rare boss in Washington who thinks that his publicity staff can do anything right, or that his lack of good press is his own fault.

McKinney is a classic case in point. After helping Carter get elected, he really wanted to be an ambassador, but the only job offer was as chief regulator of the nation's savings and loan industry. Even that nomination ran into trouble in the Senate over McKinney's civil rights record and his banking interests, but those were only superficial stumbling blocks; the government regularly hires foxes to guard public henhouses.

Once ensconced in office, McKinney found himself on the receiving end of the Carter Administration's need to place old friends. The White House wanted him to help repay a favor by accepting as his PR man someone from his home state of Indiana, Mike Scanlon. Scanlon had respectable credentials for the job: he was a Notre Dame journalism graduate, a former reporter for *The Indianapolis News* and Time-Life, and press secretary to outgoing Senator Vance Hartke. With several nudges from the White House, Scanlon got the job, which meant $36,000 a year and all the job security of baseball managers who work for Charlie Finley.

Scanlon's first effort for McKinney was a White House press conference at which his boss outlined the Federal Home Loan Bank Board's proposed regulations to stop banks from "redlining," refusing to give housing mortgages to homeowners in black neighborhoods. The briefing made the front pages of *The Washington Post* and *The*

Donovan McClure has been a public relations consultant in Washington for government, private organizations, labor unions, and political candidates.

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New York Times, and got McKinney on Cronkite. McKinney now saw the national media as being as easy to crack as *The Indianapolis Star.*

Two weeks later (and three weeks into the job) came the San Francisco speech, which was a rehash of one McKinney had delivered a few days earlier in Houston. When the speech didn't make the Eastern papers, Scanlon got an angry call from McKinney's assistant.

"But we got great coverage in San Francisco," Scanlon protested.

"Sure," replied the aide, "you did fine on the West Coast, but what about the East Coast?" The aide fired Scanlon that afternoon. The poor guy never did get to talk to McKinney.

But don't waste your sympathy on Scanlon. Save a tear or two for his replacement, who, when the *Times* ignores a ribbon-cutting in Cleveland, is sure to be told, "Jesus, the other guy wasn't much, but at least he got us on Cronkite."

Right Away

Also, Scanlon must have known what he was getting into. Fates like his befall publicists all the time, especially at the start of an administration. When Patricia Roberts Harris became Secretary of Housing and Urban Development, she told her new PR man she wanted press right away on all the great things HUD was going to do under her leadership. He decided it was time to educate her on the subtleties of dealing with the Washington media, and suggested they wait until HUD had done something and *then* tell the press. He lasted a month. His replacement won't make the same mistake.

I know how tough it is for a publicist to please his boss out of bitter experience. I've been in public relations myself for 16 years, ever since I took a one-year leave from *The San Francisco Chronicle* to join the PR staff of the Peace Corps in Washington. My boss, Sargent Shriver, was a master at getting publicity, but that only made him more demanding of people like me. Even before there were any volunteers in the field, Shriver had the press agog about the new American adventure. One week, three magazines—*Newsweek, Look,* and *The Saturday Evening Post*—hit the stands with Peace Corps stories. Shriver wanted to know what had happened to *Time*.

'Give Me Another'

But the toughest boss I ever had—a man who steadfastly and resolutely refused to face the realities of dealing with the press—was the late Winthrop Rockefeller, who was the governor of Arkansas. Before an appearance on the "Today" show, some of us were taking him through a dry run; it's routine for a politician's staff to prepare him for an interview by asking him hostile questions he might get.

This didn't work with Win. I read him the first question, a real nasty.

"Give me another," he said.

I read another question, and another and another. It was always the same response. After I had finished my list, Win finally said, "I don't like those questions." That was the end of that preparation session.

The only politician I ever heard of who didn't expect his public relations staff to work miracles with a minimum of cooperation was Spiro Agnew, a man of few other discernable virtues. Vic Gold, who was Agnew's press secretary, had been working for him for just a few weeks when, he says, "a newspaper not only tore hell out of him but out of me personally. And what made it worse, it was a Baltimore paper. I went in to see the Vice President and asked him if he'd seen the story and he said, 'sure, what about it?' and I said, 'well, I'm sure sorry as hell about it . . . .'

"He interrupted: 'Oh, don't let those bastards get you down. You know how they are.' " Such is the only good position a PR man can be in- working for a boss who expects bad press. ■

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"You can't tell a customer we're short of No-nox because of a foggy day in the Azores."

"That doesn't sound like much of a problem, does it?" says Operations Planning Supervisor Wayne Broussard. "A tanker delayed by fog.

"But for any refinery—even one as modern as Gulf's Alliance Refinery—a constant crude oil supply is essential. To meet customer demand for gasoline and fuel oil, it's necessary to have 200,000 barrels per day of crude oil supply.

Uninterrupted supply

"So even if a ship's held up only a few hours, you may be short several hundred thousand barrels of crude. The whole process depends on an uninterrupted supply. So you have to talk to the transportation and supply people to make other arrangements for crude oil delivery.

"And to make sure we meet product quality specifications, you have to refine different crudes or crude mixtures in different ways. That means changing process operations and product blends.

People vs the elements

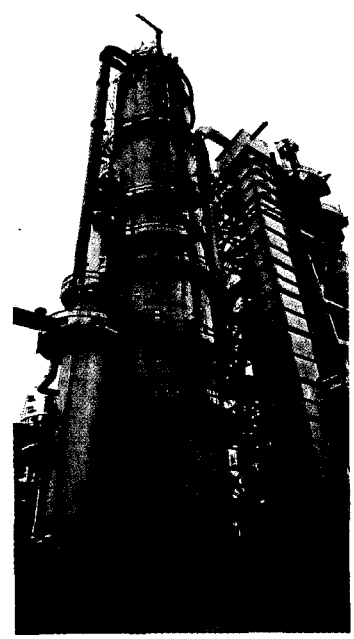
"There's an enormous investment in hardware here at Alliance, but even more valuable are the people who make it all happen. Bad weather is just one of the challenges our people meet. But every day, all year long, we maintain the crude supply to produce 200,000 barrels of products.

"It's a real challenge—but that's the job: meeting the challenge, and doing it right."

Gulf

Gulf people: meeting the challenge.

"One day's delay could leave you short several hundred thousand barrels."



"You have to refine different crudes different ways to get the same product."

Gulf Oil Corporation

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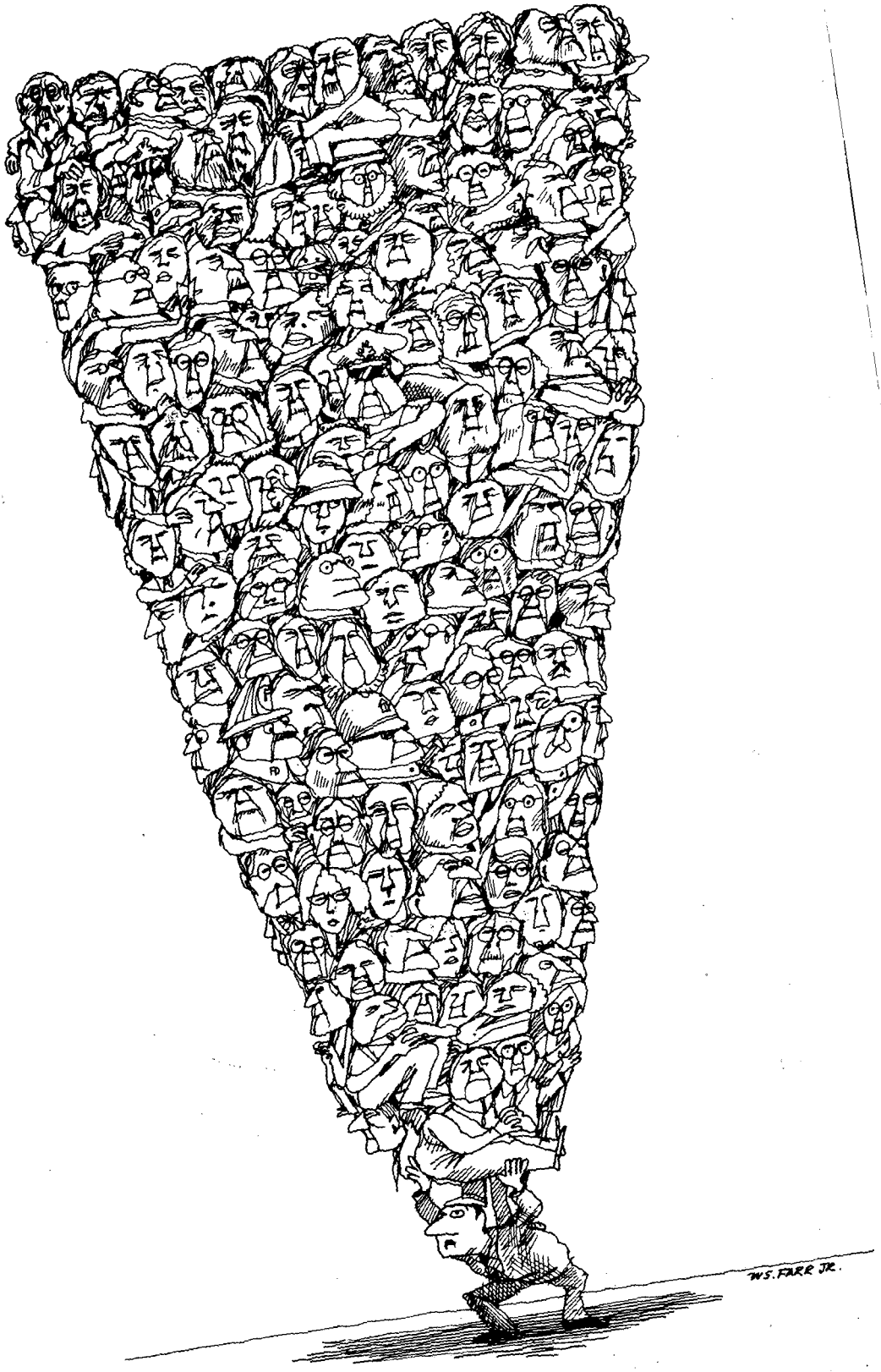

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Pensions: The Five Trillion Dollar Scandal

by Marjorie Boyd

Any discussion of pensions is usually prefaced with the apology that the subject is both complicated and boring. While we're all greatly interested in the size of our own monthly retirement checks, a general analysis of the subject invariably produces glazed eyes.

This boredom is largely responsible for the chaotic state of pensions in this country today. Politicians were the first to recognize that because the subject is so arcane and inherently dull and because pensions involve future costs that do not show up in current tax bills, both government pensions and social security benefits can be raised with almost no notice by the general public. The raising of pension benefits to buy political good will (especially that of public employees) has become widespread during the past 20 years. If city workers are restless, there's an election drawing near, and the municipal treasury is empty, there's a simple way out—raise the workers' pensions, and let the next administration, or the next, worry about how to pay for them. Politicians in New York City finally drew public attention to this practice when they over-used it enough to push the city to the edge of bankruptcy. Although pension-hiking no longer goes on with happy abandon in New York City, it is still in use in

Marjorie Boyd is a Virginia writer.

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more solvent jurisdictions.

Almost simultaneously with politicians, corporate executives, realizing that shareholders have the same low boredom threshhold as taxpayers, began to use pensions to buy labor peace. Increased wages immediately show up on balance sheets; but increased pensions, thanks to "creative" accounting, don't.

The extent to which business has gone pension-happy is only beginning to be known. Under the 1974 federal pension act, corporations must make an all-out effort to see that their pension systems are adequately funded—that is, they must try to keep on hand enough funds to cover all current pension obligations, taking into account variables like life expectancies and changes in the number of company employees. The 1974 law requires corporations to make sure that their pension funds will be fully funded in 30 years. But recurring recession and inflation have made this a difficult proposition. The Associated Press recently conducted a study of corporate pensions and found that many large corporations are paying into their employee pension funds each year more than they are earning in profits. For instance, Uniroyal's 1976 pension contribution was $79.4 million and its profits were only $20.1 million. And corporate pension costs are rising rapidly; they increased 20 per cent last year.

Some companies (Western Electric, Coca Cola, Proctor and Gamble, and Xerox are examples) have always been careful about pensions and now have fully funded pension systems. But most large corporations have been far less prudent; even the sizable annual payments they are now making are not keeping up with past promises. According to the November issue of *Fortune*, "Ten of the top 100 corporations on the Fortune 500 have unfunded pension liabilities equal to a third or more of their net worth, and total uncovered benefits for all corporations exceed $50 billion."

To Some Degree Funded

But at least all private pension plans are to some degree funded. That can't be said of pension plans run by the government. The recent hefty increase in social security taxes should make the public more aware that the taxes we are paying now are supporting today's retirees, while our own social security checks will, we hope, be paid for by future workers. In other words, all the money that comes into the system in a given year is paid out that year. So, as last month's *Washington Monthly* pointed out, the widely held view that social security taxes are actually savings put away in a safe place is far from accurate.

Pension funds for the military and federal, state, and local employees are also unfunded. The benefits are largely paid out of each year's general revenues, although most government employees do make annual contributions to pension funds. While requirements and benefits vary widely from plan to plan, comparison of government pensions with private plans shows that the government ones are much more generous. Rep. Les Aspin of Wisconsin, who holds a doctorate in economics and is presumably able to understand the logarithmic language of pension experts, has become the most vocal critic of government pensions. He calls government employees "a privileged elite among our retirees."

Only five per cent of private workers can retire with benefits before age 65, while all federal workers have that option. Military personnel can retire after 20 years, even if they are only in their late 30s or early 40s. Private pensions pay an average of 40 per cent of final pay, but federal workers receive 56 per cent; military enlisted men, 59 per cent; military officers, 62 per cent; congressmen and their employees, 75 per cent; and federal judges, 100 per cent. (It's easy

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to understand why Judge Frank Johnson was reluctant to give up his pension for an uncertain future as FBI director.) Early retirees from the government routinely end up getting hundreds of thousands—sometimes even more than a million—of the taxpayers' dollars during the course of their retirement, even if they continue to work for private businesses for much of that time.

Integrated Plans

Because all workers in private business are covered by social security, two thirds of their plans are "integrated" with the social security system. This means that their pensions are reduced under a formula that takes into account the social security payments they will receive, so that their total retirement income equals an agreed-upon percentage of their final pay. The argument for giving especially generous pensions to federal workers is that they are not covered by social security. However, until the recent social security bill was signed, there was no rule against a government retiree collecting social security benefits earned either before, after, or during government service, or benefits due a spouse. A 1972 Civil Service Commission survey showed that 58 per cent of all retired government employees over 65 were also receiving social security payments. The new law will put a stop to some of this, but it won't take effect for five years and does not cover those already retired.

Military personnel are fully covered by social security, so after age 65 they all receive at least two pension checks—often three, in fact, since many retire in their early 40s and go on to other careers. Military personnel also don't have to make any contributions to a pension fund, as other government workers do; they can retire much earlier at a higher percentage of their final pay; and they may continue to use government-subsidized commissaries, which sell food at 20 per cent below supermarket prices. They also remain eligible for free medical and dental care for themselves and (at nominal fees) for their dependents. They can even travel free on military aircraft when space is available.

The portion of the Pentagon's budget that goes to pensions is rising at an alarming rate. In 1977 military pensions cost $8.4 billion, and in the year 2000 it is estimated they will cost $34 billion. These figures caused Senator Thomas Eagleton to say that the new question facing the military is "guns or pensions." Even Ronald Reagan, who takes a back seat to no one in advocating a strong military, has said that some way must be found to cut Pentagon pension expenditures.

Looking at all these unfunded government pensions together is a sobering experience. The total unfunded liability for social security, military, and federal, state, and local employee pensions is about $5 trillion. That's not $5 billion, but $5 *trillion.* At current rates, it's a debt equal to the total national budget for the next 20 years.

The Coming Crisis

That's scary in itself, and it's made even more so by what pension experts call the "coming demographic crisis." As everyone knows, there have been drastic population changes in America since World War II. First there was the "baby boom"; those babies are now 16 to 31 years old. Then there was the drastic drop in the birth rate to its current level of 1.8 babies per woman, not even enough to replace us all. (A birth rate of 2.1 is considered the rate necessary to maintain a stable population, or zero growth.)

This means that unless the birth rate rises substantially, in the year 2030, when the last of the post-war babies retires, 37.5 per cent of the adult population will be retired. There are now 31 retirees for each 100 workers; in 2030 there will be 52 for each 100. You do not have to be a mathematician to see that social security taxes will have to rise steeply over

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the next 50 years. Income taxes will increase too, to keep up with the spiraling benefits paid to retired government workers and retired military personnel. Property taxes and state income taxes will also rise sharply to cover retirement benefits for the increased number of retirees from state and local governments. And as the pension costs of private businesses go up, prices are bound to increase as well. In other words, a shrinking band of workers will be supporting the rest of the population.

Unanticipated Burdens

Of course, anything is possible; we could even have another baby boom for some reason. But that is at least a remote possibility. On the other hand, there is every likelihood that further advances in medical science will extend life expectancies and increase the size of our retired population. A cure for cancer, for example, would place a gigantic unanticipated burden on our already shaky system of pensions and cause the world of 2030 to arrive that much sooner.

Will the workers of 2030 carry their burden without complaining? Or will they turn against the elderly? If they do become restive and try to force cutbacks in social security benefits and government pensions, their mission will be a difficult one—while worker-voters will still outnumber retiree-voters, the median age will be 50, and workers over 50 can be expected to side with the retirees, giving them a clear edge at the polls. Also, elderly voters are highly mobilized politically, and there is no reason to expect they will be any less so in the future. A larger percentage of those over 65 votes than of any other age group, as every politician knows well. So, even if the young workers of 2030 do balk under the yoke of the old, there may be nothing they can do by democratic means to change the situation.

Most people don't know how bad things are likely to get, but even now they put up with a lot without complaining much. One reason why is that most of us think we'll need high pensions ourselves one day. We think of old age as a time of desperate financial struggle, and so see it as in our interest to keep pensions outrageously high. But a look at the finances of retirement shows that old age is a far more comfortable time financially than is commonly thought. The most prosperous one-year bracket in per capita income is Americans between 55 and 64, and those over 65 are only five per cent below the national norm. There is also a lessening of the normal financial load in the late fifties and early sixties, as children grow up and mortgages are paid off.

Then, at retirement, expenses rapidly fall away. Of course, people no longer have to pay social security taxes, and their benefits from social security are not taxed. Retired people's only income that is subject to federal taxes is money from private pension plans or investments. The federal income tax code gives a special deduction for those over 65, as do state income tax laws. Many cities and counties also give breaks on property taxes for the retired. The expenses of commuting to work disappear. Medicare steps in to take over the burden of medical expenses.

More Than Workers

A man earning $20,000 who turned 65 in 1976 needs only $15,686 in retirement benefits to have the same spending power after taxes. If he is married he will receive $7,700 in tax-free social security benefits, so he only needs another $7,986 annually from a private pension plan or investment fund, and this does not take into account any reduced expenses except taxes. The Gray Panthers, in trying to pressure the television networks to present a more realistic view of the elderly, pointed out that retirees spend proportionally more than workers on many of the products advertised on television. Although only one in ten Americans is over 65, that

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group spends one of every five dollars in the supermarket.

It is true that there are still many widows and other retirees who live entirely on social security benefits and find each day of retirement a financial struggle, but it is also true that as a group the elderly are not poor. In addition, the old stories about the elderly living on "fixed incomes" are no longer true, since social security payments have been tied to the cost of living for over five years.

The World of 2030

Pension experts have advanced many schemes for avoiding the world of 2030. The conventional answer to the social security mess is to cut back both taxes and benefits, which would stimulate the economy and make social security a financial 'cushion" for old people, rather than a living stipend. Others propose raising social security taxes so high that the system can be genuinely funded, so that workers get out of it on retirement the actual money they paid in.

But solutions like these have an essential illogic: what good is a government-funded "cushion" to people who are either well provided for in retirement, or not provided for at all? Social security is really a payment from the workers to the retired, not the individual lay-away plan it pretends to be—so why not make these payments only to those who need them, in the amounts they need? That would be a step of extreme political difficulty, but it would bring the amount of money flowing into (and out of) the social security system down to a sane level.

There is another less drastic move that could lessen somewhat the burden of pensions on the working population: gradually raising the retirement age from 65 to 68 or even 70, thereby saving billions in social security and other pension payments. While 65-year-olds are generally more youthful and vigorous today than when that cut-off age was chosen, there has been a steady trend toward retirement at 62, which has put an additional burden on our pension system. Congress passed two laws in 1977 that could make people think in terms of a later retirement age. First, there was the prohibition of mandatory retirement at 65 in certain jobs. Also, the new social security law contains incentives for later retirement—benefits increase if one waits until 68 or 70 to retire. But politicians are still tiptoeing around the question, since polls have shown mixed findings on late retirement. When Secretary of Commerce Juanita Kreps last year said publicly what everyone in Washington was thinking—that the retirement age should be raised—the White House announced coldly that this was Ms. Kreps' personal opinion and in no way reflected the administration's thinking on the matter.

Raising the retirement age for federal employees would be especially helpful. Ending pension eligibility before age 65 for civil servants and military personnel (save those in high-stress jobs, like combat troops, who deserve to retire early) would save billions of dollars that are now going to people who could easily be working. Right now these people are getting far more than their share of the government's money. In 1976, the last year for which we have figures, the federal government devoted roughly $100 billion of its budget of $360 billion to retirees. That's money that could be spent to hire the unemployed and heal the sick and feed the hungry- or, if you prefer, to build a stronger national defense or help parents with the crushing costs of higher education or give new businesses a boost and thereby create jobs. Liberals and conservatives can disagree over which of these needs is the most pressing, but they're all obviously more important than providing generous retirement allowances to millions of people who are still healthy, still vital, and still capable of making a contribution to our society. ■

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Tidbits and Outrages

The Free Press: I

There is a law that requires the Government Printing Office to give each member of the House and Senate press galleries a free bound set of the *Congressional Record* at the end of each session of Congress. The sets for the last session cost the public $448 each.

Tough Luck, Walter

Last month in our Annals of American Justice series we brought you the case of Lt. Col. Duane Swimley of Chicago, whose wife, after having been convicted of attempting to arrange his murder, was still collecting $1,100 a month in support payments and suing to compel him to pay for repairs to her house.

This month we offer the case of Walter J. Connolly of Fairfax City, Virginia. Connolly, whose wife left him several years ago with two small children to raise, lent a girlfriend $2,500 for a down payment on a condominium. Instead of making the down payment, she used the money to finance a trip to Greece with another man.

Connolly sued and won a judgment against her, but she is a government employee and government employees' wages cannot be garnisheed. When Connolly tried to collect the debt himself, she had him arrested and Fairfax City authorities put him on trial on charges that, were he convicted could have put him in prison for 21 years.

During this period Connolly also lost his entire savings in a business misadventure and was evicted from his farm. Finally, three days before Christmas, his fortunes dramatically changed. The jury acquitted him. No doubt the rest of his troubles will work themselves out in time, too, if only Connolly will have a little patience.

The Free Press: II

If you've wondered why the press likes to go on presidential trips, read this report by Haynes Johnson of *The Washington Post*:

"At 1:05 this afternoon, your time, some four hours out over the Atlantic, they began serving the caviar. And the chilled vodka. And the 10-year-old St. Emilion. And the lobster thermidor. Much earlier, if you wished, you could sample the Perrier champagne at breakfast, or the Bloody Marys, or screwdrivers."

Reregulation

American banks are regulated by three different agencies: 4,748 nationally chartered banks are regulated by the Comptroller of the Currency; 1,030 state-chartered banks that are members of the Federal Reserve system are regulated by the Federal Reserve Board; and the remaining 8,590 banks are regulated by the Federal Deposit Insurance Corporation. "Nowhere else," points out Senator Abraham Ribicoff, chairman of the Senate Governmental Affairs Committee, "does a regulated industry have an opportunity to select its regulatory agency."

A recent study by the committee cites the case of Bankers Trust Company of Columbia, South Carolina. It shifted from being an FDIC-regulated bank to a national bank on October 15, 1973, acquired several smaller banks, and then shifted back to FDIC-regulated status 14 months later. The FDIC had told the bank it would not approve the mergers, so, according to the study, it "switched charters, secured the Comptroller's approval of the mergers, and then switched back to the FDIC's jurisdiction."

For the Winners, We Have a Trip to Mexico... and for the Losers, a Trip to Mexico.

Sometimes the government shows that it is capable of progress. The United States Border Patrol, knowing that many illegal aliens from Mexico go home for the Christmas holidays, has for years set up southbound checkpoints on major highways and checked the papers of people heading toward the border. They caught thousands of illegal aliens and deported them forthwith.

Recently, however, a light turned on in the mind of a Border Patrol official, who realized that since the aliens were going back to Mexico anyway, it was silly for us to be spending the money to deport them there. And that was the end of that program.

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How the Other Half Lives

Because we have promised to keep you up on the beautiful people, we must report that they are now called the SuperSet, or SSTs, by *W*, which carried these reports on two of them recently:

"She is not a wallflower. In recent months, always at night, her blonde mane can be spotted on New York's SST scene: glitterbugging at Studio 54, dancing at an opening at the Whitney, dining at Doubles and vamping through '21' as a 20s flapper.

"Lacy Neuhaus is New York's latest would-be actress, sometime model and socialite Girl About Town. Leggy and unflappably friendly, she belongs to that pretty all-American breed that seems to originate in the West—an Ivy League version of Cybill Shepherd, or a refined Margaux Hemingway, tempered by an Eastern education (Ethel Walker's) and 'Your Erroneous Zones.'. . .

"Only when her age is asked does the bounciness abate. 'Professionally I'm going to be 22—for quite a while,' she says. Friends say she is 30, and talk about her last birthday party, where she greeted guests at the door in short shorts, Texas barbecue-style.

"She would rather talk about reading, travel and the weekends when she 'hibernates.'

" 'I just turn off my phone,' she says, going to the bookcase, where she picks up a glossy volume on China. 'I'd love to understand Chinese communism,' she says suddenly. 'If we can't feel a philosophy organically, how can we understand the system?' Asked to be more specific, she looks up brightly and claps the book shut. . . .

" 'But I HATE being in stores,' she says, giggling. 'Except for food. I drive around in my Pinto station wagon to check out the vegetable market and Balducci's.' . . . She gets up, walks into the Porthault-covered bedroom with its hunt country prints, and emerges in a full-length mink . . . . Downstairs, as she hails a cab, she sets forth her goals. 'I'd like to have a real one-to-one relationship and get my career in Shape,' she says. 'That's my five-year program.' "

* * * * *

"Amanda Haynes, like so many SSTs, is a woman used to getting her own way. It's not really a question of being spoiled, though her life style—including her one-bedroom apartment in the River Court with valet service at the touch of a button, endless summers and weekends focused on the Maidstone Club in East Hampton, and stepping out every night of the week in Manhattan—is one of unquestionable privilege. But she's willing to work for something she really wants.

"In fact, work was exactly what this 26-year-old native New Yorker was looking for some two years ago when, after predictable stints at Vogue (where her mother, Evelyn Haynes, was an editor for nearly 20 years), Seventeen, Kimberly Knits and Town & Country, she wanted a change—a job on Wall Street involving finance, money management.

"Not one to let the lack of a college degree stop her. Mandy, as she's known to chums from her Spence and Madeira days, called on some friends of her father's. (Justin Haynes, a well-known investment banker was, among other things, on the board of Bristol-Myers for 40-odd years.) A family friendship with the Hilsons eventually led to her present position, a registered rep doing marketing for Wertheim & Col, Inc., a firm she terms 'the Bendel's of the business.'

" 'I'm from a family of achievement-oriented people, but I'm not one of those people with a ticker tape for a heart. Most of my women friends don't work, but I keep up with them, have lunch with them—I just don't talk business.

" 'And it's really a fabulous advantage at dinner parties when the men start talking business. I'm not left out.'

"One of those girls who NEVER cooks, Haynes occasionally entertains at her mother's Park Avenue apartment. 'It's very different from my style, very dramatic, theatrical. And my mother has wonderful Chinese help.'

"She's also a girl who NEVER shops, so it's mother to the rescue there, too: 'When my mother gets hysterical at the state of my wardrobe, she picks out some things and has them sent over.' "

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Al Fiterman

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When Bluegrass is Better than Ballet

by Nicholas Lemann

Every so often a local Chamber of Commerce will rear back, wind up, and start a national advertising campaign designed to attract business from elsewhere. Sometimes these campaigns take the form of no-nonsense ads in *The Wall Street Journal* touting the city or state's "favorable business climate" (that is, its low taxes and right-to-work laws), but at their most ambitious they're in *The New Yorker* or *The New York Times* or *Harper's* and devote themselves to proclaiming more abstract virtues. Atlanta, for instance, ran a campaign a few years ago with the slogan THE NEXT GREAT AMERICAN CITY. Now the major civic advertiser is Kentucky, whose most recent ad shows a ballet dancer in a swanlike pose. I'LL BET THEY DON'T WEAR SHOES IN KENTUCKY is the headline, and it's followed, in smaller type, by: "You're right. Sometimes we wear ballet slippers . . . . We're not all horse farms and tobacco and fried chicken. We're into a lot of things in Kentucky."

Now the general purpose of this ad is to convince big corporations to open branches in Kentucky ("Profit Center U.S.A.") and more particularly it's supposed to persuade the executives in New York who would be sent down to run those branches that it's not all that bad out in the bush leagues—you can leave New York and still see the ballet. But there's another

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purpose too: to boost the self-esteem of the people who place them. We're living in an age where if you're a certain kind of ambitious professional and you're not living in New York, it's incumbent on you to give a reason why, to dispel the fear that there's something wrong with you, that you're really a second-rater. Hence Kentucky's ads must have a reassuring effect on the kind of Kentuckians who read *The New Yorker*. See, they can say to themselves, I'm not really missing much; we have ballet here too.

You Have to Have a Reason

Certainly New Yorkers have done a lot to make this kind of reassurance necessary, by explaining to everyone who'll listen why it's really quite impossible for them to consider living anywhere else. A city without an opera company or all-night laundromats or a dozen art-film houses or the *Times* just isn't a livable place. In a way, the New Yorkers are playing the same game as the Kentuckians. In these times of professional mobility, living somewhere just because you happen to have been born there isn't enough—you have to have a reason. So just as the people in Kentucky have to convince themselves that it's OK that they're not in New York, the people in New York have to convince themselves that it really is great to be there. Hence they invent criteria of quality of urban life that only New York can meet, like opera, even if those criteria are a tiny part of their lives.

That's not really a bad thing. The references to opera and all-night laundromats might be a little strained, but they're really just a shorthand way of saying that they like the way New York is, which is certainly an admirable sentiment. What's too bad is that more people in other places don't invent criteria that only their towns can meet, rather than buying New York's. Why can't Kentuckians justify their existence through bluegrass music or horse racing or basketball, instead of trying to prove they've got Culture?

The phenomenon of regional insecurity, or trying to prove yourself to the big boys of culture and commerce on their terms, is certainly nothing new in America. It goes back to the early days, when England occupied the position New York does now and the whole country, instead of just the outlands, had a severe case of cultural insecurity. The United States' first Famous Writer (as opposed to writer-statesman), Washington Irving, had to win his spurs by going to England and writing a series of genteel historical essays that began with sentences like, "I am somewhat of an antiquity hunter, and am fond of exploring London in quest of the relics of old times." Irving wrote about America too, but it took essays in a distinctly non-American vein to knock the British critics dead and become, officially, a major figure—just as now it's only when Des Moines has a symphony that it's officially a city worthy of the name.

'Aesthetic Starvation'

By the early 20th century, England wasn't the fixation it had been, but there was still the strong feeling that America hadn't made it yet. A representative cultural document of the early 1920s is a collection of essays by young New Yorkers called *Civilization in the United States*, the thrust of which is that there isn't any. The editor of the collection, Harold E. Stearns, pretty much summed it up in his introduction: ". . . the most moving and pathetic fact in the social life of America today is emotional and aesthetic starvation . . . . We have no heritages and traditions to which to cling except those that have already withered in our hands and turned into dust." Deems Taylor, who contributed the chapter on music, chimed in that the American composer "is likely to be a much less interesting person than one's iceman. Ten to one, he never visits a picture gallery or a sculpture exhibition, his taste in the

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theater is probably that of the tired business man, and what little reading he does is likely to be confined to trade papers, *Snappy Stories*, and best sellers." On the other hand, wrote Taylor, in a way this hardly mattered: "Suppose most American music is trivial and superficial? How many Americans would know the difference if it was profound? The composer here lives in an atmosphere that is, at the worst, good-natured contempt .... In the minds of many of his compatriots [music] ranks only as an entertainment and a diversion, slightly above embroidery and unthinkably below baseball." No doubt educated Kentuckians are bemoaning the same kind of shortcomings in their state today.

Midwesterners and Businessmen

Since then, intellectuals in New York have begun to feel somewhat better about themselves, at least, but they've turned their fire on other elements of the country, giving them the treatment American intellectuals once got from the British. The targets varied over time. Some (like Sinclair Lewis) attacked Midwesterners and businessmen, others (like H. L. Mencken) the South, others (like Dwight Macdonald) "mass culture." But rarely was anything of value found out there. It's no wonder that the people in the hinterlands have become shell-shocked over the years, and scrambled to fall into some semblance of respectability. No wonder the kind of people who have gone to college in the East and then come back home have felt a burning shame at their hometowns' cultural barrenness, and therefore tried valiantly to set up little enclaves of Culture. No wonder we have today 130 symphony orchestras in the United States.

So now the main standard for judging the worth of places in America is the New York Big Time standard: a city or state's quality is measured according to how close it comes to New York in terms of Big Culture and, to a lesser extent, Big Business (Atlantans like to brag about the number of corporate regional offices located there). "In most American cities," Calvin Trillin of *The New Yorker* wrote in his book *American Fried*, "a booster is likely to insist on defending the place to outsiders in terms of what he thinks of as the sophisticated standards of New York .... A visitor, particularly a visitor from the East, is invariably subjected to a 30-minute commercial about the improvement in the local philharmonic, a list of Broadway plays (well, musicals) that have been through in the past year, and some comment like 'we happen to have an *excellent* French restaurant here now.' "

A more recent spinoff standard of judging places, often opposite in result but equally misguided, is what might be called urban studies rationalism. This involves figuring out a city's "quality of life" through some complex mathematical formula, taking into account things like median per capita income, hospital beds per thousand, murder rate, and park space per hundred acres. Quality of life indexes must have been invented by Californians and other Westerners who wanted a way of proving that their cities, not New York, should be everyone's ideal. Northeastern cities usually finish far down the list, and spacious, prosperous, warm, half-suburban towns are the big winners.

The Way People Talk

I don't mean to denigrate the importance of high culture or to endorse poverty and crime, but there must be some better way of sizing up the pleasures and displeasures of living in a particular place in America. The present criteria don't very accurately reflect the way people live—the way the houses in a town look, the way the streets are laid out, and the way people talk all have much more to do with that than the presence or absence of a ballet or the number of parks.

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Particular local customs and institutions—indigenous food or music or architecture or special events—have a great deal to do with defining a place but seldom turn up on the official scorecards.

Besides the abstract satisfaction of classifying places as they should be classified, there are good reasons for trying to find these proper criteria of local quality of life. For one thing, there's something pathetic about the phenomenon Trillin describes—to defend your city on the basis of its symphony and French restaurants is to buy the New York criteria and therefore to admit that you're second rate, albeit in there trying. Also, accepting standards that are the same everywhere imposes a uniformity and homogenization on a country whose diversity is a tremendous strength. In Washington, it inspires far more faith in the greatness of America to walk through the congressional office buildings and see the variety of local paraphernalia in reception rooms than to gaze on the marble expanse of the Kennedy Center.

Most important, we're now ignoring the local customs and institutions that have always been the source of much of America's greatest achievements, both in culture and in commerce. This is nothing new, of course. There must have been Huck Finns around in Washington Irving's time, but it took decades for a great writer to be able to draw on such unclassy material. Hollywood was turning out great Westerns for years before American intellectuals, at the prodding of the French, realized that they were worth watching. Trillin makes a convincing case for the greatness of just the kind of food his local booster friends would try their damndest to steer him away from—the fried and the barbecued. Eccentrics working in garages are far more likely to produce genuinely useful innovations in business than are corporate regional offices.

The classic case of a local institution being ignored because it didn't meet the respectable standards of the time is jazz, which is now commonly called the only original American art form. When *Civilization in the United States* was written, jazz was burgeoning in New Orleans, Memphis, Chicago, and New York—but Deems Taylor didn't even mention it in his essay on American music, except for a couple of sneering references to "Negro music." Throughout the twenties and thirties and forties, while traditional jazz was having its golden age in New Orleans, it was studiously avoided by the local gentry, who were no doubt putting their music-promoting energies into symphony fund drives.

Circuitous Means

Even when traditional jazz was "discovered," it was only through the most circuitous means. In his new book, *George Lewis, A Jazzman from New Orleans*, Tom Bethell points out that jazz wasn't written about seriously until the late thirties, and was first recorded and chronicled in detail in New Orleans in the forties by a Missourian expatriate named William Russell. It caught on with intellectuals in England, Europe, and Japan long before it did in America. Only in the sixties, when it was dying, was jazz fully recognized "as art, as culture, as a truly-indigenous-American-contribution-ignored-all-these-years." The New Orleans city fathers tore down the neighborhood that housed the greatest of the old jazz dance halls to make room for a very large concrete "cultural center."

It's hard to say whether we're missing something like jazz now, because most people don't brag about indigenous music played in bars, as they should. When Kentuckians can brag about bluegrass instead of ballet, it won't just make them feel better about themselves and their state—it will also make it much more likely that they'll contribute something significant to American life, or recognize that they're doing so already. ■

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Who's Who in the Carter Administration

Last summer we reported that Carter's apparent reduction of the White House staff was largely accomplished by a sleight-of-hand operation that kept people in the same jobs but listed them on a payroll other than the White House's. Now we hear that **Harold Brown**, the Secretary of Defense, who promised to cut one-fourth of his personal staff, has placed most of them in a new agency within the Pentagon called Washington Headquarters Services .... When **Jody Powell** was asked why **Hamilton Jordan** flew from Washington to join the presidential party in Saudi Arabia, he replied that Jordan was tired of "farting around" in Washington. Reporters suspected some mystery of state, but our sources tell us that Powell was exactly right, that the "action" had accompanied the trip and Jordan wanted to be where the action was .... That trip, by the way, was completely conceived and planned by **Zbigniew Brzezinski**, and its success or failure, as the results come in from the press and the polls, will be seen wholly as a reflection of Brzezinski's talents. Thus his status will change accordingly.

Some revealing quotes from the upper reaches of the government: "We're not trying to run the government, but we have to try to protect the President." —**Stuart Eizenstat**, President Carter's chief domestic advisor. "I work hard to make sure **Harold Brown** doesn't give the impression of being intellectually arrogant" —**Jack Stempler**, legislative office of the Department of Defense .... **Robert O. Tiernan**, a member of the Federal Election Commission making $50,000 a year to police campaign practices, still owes $5,405 from his 1974 congressional campaign and is being sued by one creditor .... the Foreign Service is pleased that under Carter the number of embassies filled by political appointees has dropped from an average of 36 per cent to 25 per cent but is not so happy that only six of the State Department's top 25 jobs in Washington were filled by foreign service professionals. Under Ford, they held 16 of these jobs .... **James F. Neal**, the prosecutor in the Watergate cover-up trial, was a leading candidate for FBI director until he balked at the administration's request that he promise to stay on the job for a full ten years .... At the Commerce Department, where the excitement never stops, the Domestic and International Business Administration has been renamed the Industry and Trade Administration.

Appointments Since Our Last Issue:

WHITE HOUSE

Associate Press Secretary—Marc Henderson, a black reporter from the *Philadelphia Bulletin*, replaces William J. Drummond, also black.

OMB

Director—James McIntyre was Lance's deputy and has been acting director since September, when we predicted he would not become director. His new job isn't likely to be much different from his old one: he'll continue to manage the budget, which Lance didn't do, and he probably won't be given Lance's special powers.

AGRICULTURE

Environmental Coordinator—Barry Flamm was a senior staff member at the Council on Environmental Quality.

DEFENSE

Director of the Advanced Research Projects Agency—Robert R. Fossum was dean of research and of science and engineering at the Naval Postgraduate School.

ENERGY

Assistant Secretary for Resource Applications—George McIsaac was a director of McKinsey and Co., a consulting firm. His job includes the crucial responsibility for creating and maintaining an adequate national oil reserve.

Administrator of the Energy Information

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Administration—**Lincoln E. Moses** was a professor of statistics at Stanford and dean of graduate studies there.

HEW

Associate Director for Policy, Planning, and Research, Office of Civil Rights—Mel Leventhal was a lawyer for the NAACP in New York.

Commissioner on Aging—Robert C. Benedict was commissioner of the Pennsylvania Office for the Aging.

Deputy Assistant Secretary for Public Affairs—Clifton F. Sessions has been executive director of communications for the American Bankers Association, head of public affairs in the Justice Department, and editor of *National Journal.*

INTERIOR

Deputy Undersecretary—Christopher G. Farrand has been since last April the head of the Chamber of Commerce's natural resources, energy, and environment group. Before that, he was an acting assistant secretary at Interior. The *National Journal* calls this "the fastest full turn of Washington's revolving door in recent memory."

JUSTICE

Deputy Assistant Attorney General for Antitrust—Ky Ewing was a partner in the Washington firm of Prather, Jeeger, Doolittle, Farmer, and Ewing.

STATE

Ambassador to Portugal—Richard J. Bloomfield has been U.S. representative in Ecuador since 1976.

TREASURY

Deputy Assistant Secretary for Operations—William T. Archery is a career civil servant who was most recently at the Law Enforcement Assistance Administration.

AGENCIES AND COMMISSIONS

CIA

Deputy Director—Frank C. Carlucci was ambassador to Portugal and, under Nixon, director of the Office of Economic Opportunity and deputy director of the OMB.

Deputy for Resource Management—John E. Koehler was assistant director for national security and international affairs of the Congressional Budget Office and, before that, associate head of the economics department of the Rand Corporation. He will have authority over the budgets of all the intelligence agencies and will be able to carry out audits and evaluations of their programs.

Federal Reserve Board

Chairman—G. William Miller, who was president of Textron, replaces **Arthur Burns**. A whiz-kid lawyer who rose to his previous position at the age of 35, Miller has long been active in the business community's public-service activities. In Washington, he's not well known, but it's presumed that he'll be both more compliant to the White House and more liberal than Burns was, while at the same time keeping "business confidence" high.

Federal Trade Commission

Assistant to the Chairman for International Affairs—Michael J. Vitale was head of the FTC's Washington office.

Overseas Private Investment Corporation

Director—James Bruce Llewellyn was head of a grocery store chain and one of the nation's most successful black retailers.

RESIGNATIONS, DEATHS AND WITHDRAWN NOMINATIONS

Agriculture

Deputy Secretary—John C. White resigned to become Chairman of the Democratic National Committee.

Defense

Assistant Secretary for Health Affairs—Dr. Robert N. Smith was the last of the senior Republican holdovers at the Pentagon.

Federal Reserve Board

Chairman—Arthur Burns was allowed to retire without being reappointed by President Carter. Apparently his criticism of the administration's economic policies had gotten on the White House's nerves.

HEW

Director of National Institute of Mental Health—Dr. Bertram Brown was fired by Joseph Califano after serving as head of NIMH since 1970, and then appointed an assistant to Assistant HEW Secretary **Julius Richmond.**

CIA

Deputy Director of Operations—William Wells got the ax himself just as he was finishing lopping off the heads of 210 other spies.

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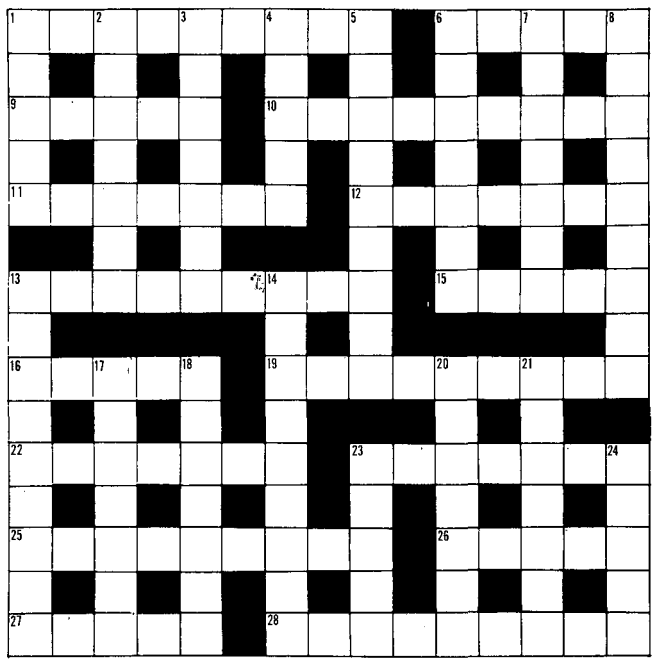
the political puzzle

by John Barclay



ACROSS

1. 6 Across, particularly, does well for nation? (9)
6. Carter official installed in sylvan ceremony. (5)
9. After tea, debt would be trailing. (5)
10. Retropath turning elsewhere. (5,4)
11. Last, yet in a way like 6 Across. (7)
12. Gal goon running around in the old days. (4,3)
13. Oil, time, and gold, for example. (9)
15. A leviathan for punishment? (5)
16. Something remaining in New Hampshire license. (5)
19. Next duets arranged for almost any 30 yr. old. (2-7)
22. Can it twice somehow hit an iceberg? (7)
23. Company travelers sometimes put color back in tablets. (7)
25. Make hogger pay into land study. (9)
26. After a second, *terra infirma* doesn't do well. (5)
27. A clan posed a problem for 6 Across. (5)
28. After a degree, 6 Across seems well suited for his job? (9)

DOWN

1. Drinks when it's warm in ship. (5)
2. Open sesame produced by confused ABA bail study? (3,4)
3. Are his thoughts often scrambled? (7)
4. Pointless sodomy can be temperamental. (5)
5. Back in greeting rolls around anarchists. (9)
6. The latest in the middle of every newt. (4,3)
7. Once more back Egyptian god before falls. (7)
8. In text arrangement wanderer is a good fellow. (9)
13. Important, but also see its great confusion. (9)
14. Deep scare resulted when prisoner got out again. (9)
17. Rented feathers cause unhappiness? (3-4)
18. Straighten up corn lot for guidance. (7)
20. Suffer no urged treatment! (7)
21. She looks good in black? (7)
23. Settle why pupa is transformed. (3,2)
24. Carrier in crop is sad to see. (5)

The numbers indicate the number of letters and words, e. g. (2,3) means a two-letter word followed by a three-letter word. Groups of letters, e. g. USA, are treated as one word. Answers to last month's puzzle are on page 66.

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SEC enforcement chief Stanley Sporkin.

Diana H. Walker

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Such Good Friends: The SEC and the Securities Lawyers

by John A. Jenkins

Kenneth Bialkin is a high-powered New York securities lawyer, a man whose job it is to keep the Securities and Exchange Commission out of the hair of the corporations that are his clients. The clients come to him because he's good at straightening things out with the SEC; sometimes all it takes is a phone call to the head of the agency's enforcement division, Stanley Sporkin, a man as gruff as Bialkin is fastidious.

A year ago, Bialkin was worried that his close relationship with Sporkin might be in jeopardy. A journalist who was writing a profile of Sporkin had interviewed him, and Bialkin was afraid some of the things he had said might be published out of context. So Bialkin asked for, and received, a copy of the journalist's tape-recording of the interview, and then secretly sent it to Sporkin in order to reassure the enforcement chief that he hadn't been disloyal.

"I have a personal relationship with him," Bialkin later explained, "and I have no objection to his knowing anything that I feel, because I've always been very open with him, personally. But I do not wish to make our friendship a matter of public record. That would be an intrusion."

John A. Jenkins is a Washington journalist who has covered the Securities and Exchange Commission.

It's fairly common in Washington for regulatory agencies to be beholden to the industries they regulate; in the case of the SEC, however, there's a strange twist to the relationship. Most of the people who deal with the SEC are securities lawyers, and most of them are loyal alumni of the SEC, which was often their first job after law school. The SEC, which is tiny as federal agencies go, relies on the securities bar to act as an adjunct of its own inadequate prosecutorial staff. The securities lawyers, surprising as it may seem, go along with this arrangement, and regularly haul their clients before the SEC for discipline.

What's in it for the lawyers? The discipline is usually extremely mild, and cooperation with the SEC can be very good business. It's an arrangement that keeps the lawyers happy, their clients happy, and the SEC happy; its only failing is that it doesn't get the job of regulating securities done.

It wasn't meant to be that way. The SEC is one of the few regulatory agencies that it would be hard to argue against in theory. Its purpose, as set out by Congress in 1934, is to protect investors from being defrauded when they buy stocks and bonds. That's important, because it's impossible for a small investor to judge the honesty of a stock transaction on his own—the government has

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to do it for him. More broadly, without an agency to police the markets investors might lose confidence in the markets and stop buying stocks and bonds, in which case the corporations would be in deep trouble. Because most of us own stocks and bonds one way or another—either directly or through pension plans—we all stand to benefit from the SEC's efforts to keep the markets free of fraud.

Inadequate Equipment

But Congress, as is its wont, has given the SEC equipment inadequate to carry out its regulatory mandate properly—just 2,000 employees and a budget of $60 million. The agency's enforcement division, where its policing actually takes place, has only 200 employees and $4.3 million a year. That's why the enforcement division has to rely on the private bar to do the lion's share of the enforcing.

Instead of assigning its own agents to investigate corporate wrongdoing, the SEC expects private securities lawyers to bring their clients in, voluntarily, to disclose violations of the federal securities law. The SEC checks up on the work of the private lawyers by bringing in other private lawyers in a much sought-after position called "special counsel," to make sure the errant corporation is now obeying the law.

One reason lawyers cooperate is that the punishment that results when they bring in a client is a ceremonial slap on the wrist called a "consent decree." When a corporation signs an SEC consent decree, it promises to stop doing whatever it was doing wrong—but it doesn't admit that it was doing wrong in the first place. There's no punishment, and because the corporation has admitted no wrongdoing the consent decree can't be used as evidence against it if private plaintiffs should later sue for damages. The SEC settles 90 per cent of its cases (300 cases a year) by consent decree. Obviously a company that is, say, bribing foreign governments is better off admitting the sin and getting a no-loss consent decree than covering up and running the risk, however small, of prosecution. The SEC appoints the "special counsels" after the signing of consent decrees, to make sure the corporations are really sinning no more.

Some private lawyers work so closely with the SEC that it's difficult to tell who's working for whom. One lawyer told me it's not unusual for the SEC's enforcement staff to permit a defense lawyer to draft the agency's complaint against his client, and then the accompanying consent decree. The SEC introduces these documents in court as its own. "I've been in cases where I've typed up the complaint myself and then given it back to the SEC to review," the lawyer said. "It's not unusual at all."

It's a situation, in other words, in which private lawyers are sanctioned by the SEC to represent their clients, the agency, and the general public, all at the same time. "I always tell people, the District of Columbia is a common-law jurisdiction," says August Bequai, a former member of the SEC enforcement staff who is now in private practice in Washington. "They have been to bed so many times with these lawyers, you could easily hold them up as being married."

"The SEC starts with the best of motives," says Monroe Freedman, a former dean of the Hofstra Law School. "They want to make sure that people aren't defrauded, and that the securities industry stays pure. They complain, then, that Congress doesn't appreciate what an important and costly job that is, and that Congress doesn't give the Commission the staff that it needs to do the job properly. So the Commission feels compelled to turn to other resources to do its job."

Playing Ball

Another enticement to securities lawyers to play ball with the SEC is the rich reward of special counselship.

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Lately, several hundred multinational corporations that have made bribes overseas (Lockheed, Gulf, Northrop, and the rest) have used SEC-approved special counsels from the private bar to conduct world-wide investigations of corporate operations and then report back to the stockholders on the full extent of the company's misconduct. These investigations grow out of SEC consent decrees, and the lawyers who conduct them are paid handsomely for their work—by the corporation under scrutiny. Also, once the investigation is completed, they can make even more money by suing the corporation they investigated (or its lawyer) for damages on behalf of its stockholders.

A recent case in point involved David M. Butowsky, a prominent New York securities lawyer and former SEC staff member. For four and a half years, Butowsky was special counsel to the International Controls Corporation, a company once controlled by Robert Vesco. His 785-page final report on the company said its Washington law firm, Hogan & Hartson, had ignored Vesco's financial shenanigans instead of reporting them to the proper authorities. Butowsky asked a federal court for permission to have his law firm represent the company's shareholders in a lawsuit against Hogan & Hartson.

Hogan & Hartson promptly charged that Butowsky had exaggerated its wrongdoings in his report, so that he would be able to sue the firm later. "Needless to say," they added, "the legal fees for such a lawsuit would be very substantial." Undeterred, Butowski has since filed three separate lawsuits in different courts against Hogan & Hartson.

The Blacklist

Just as the SEC has a reward system for lawyers who cooperate, it has a punishment system for lawyers who don't. "The Commission has, in the past, unofficially blacklisted lawyers who have displeased it," says

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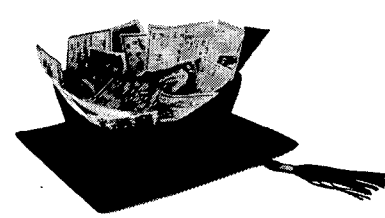

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Monroe Freedman. "An obvious problem for them is that in the process of representing a client, they've got to play the game.... Even when they're not representing individual clients, they're afraid to speak out because they want the favors, the occasional bones the Commission can throw their way. They want the possibility that they might get a hearing that some other lawyer hasn't been given before the Commission rubber-stamps a staff decision. And they certainly don't want staff members saying to the people with securities work, 'If you want effective representation before us, don't go to lawyer X. He's on our list.' So they're under tremendous pressure to conform and to cave in."

One person who was on the receiving end of that pressure to conform was August Bequai, whose sin was testifying in Congress that the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms had actively impeded an SEC investigation he had conducted into kickbacks in the liquor industry. Apparently the SEC didn't want to create bad blood with Treasury, so it set about severing ties with Bequai. Although Bequai had told the truth about Treasury and his SEC investigation, the SEC's general counsel tried to initiate a disciplinary proceeding against him, on grounds of "unprofessional conduct." The full SEC eventually turned down its counsel's request and didn't press charges against Bequai, but it did widely circulate a memo through headquarters and the nine regional offices that disparaged him. He wasn't disciplined, but he was excommunicated from the order of former SEC staff members.

Another object of the SEC's ill will was William C. Turner, a young lawyer who, while working for the commission, stumbled onto some shady operations in the Howard Hughes business empire. Turner's evidence indicated that in 1969, when Hughes took over the company, his employees had defrauded the stockholders of Air West, a regional airline, out of about $50 million by paying the stockholders less than their stock was really worth.

Turner came upon the case by accident, but later found out that others at the SEC had known about it and done nothing. When he pushed for an investigation of Hughes and Air West his superiors seemed completely uninterested. Eventually Turner became so frustrated that he resigned and went to work for the Nevada U.S. Attorney's office. But he continued to follow the SEC's handling of his old case, and last year he told the commission that the lawyers who had replaced him were withholding evidence from the defense and lying under oath. Ultimately, Turner sent his charges to the federal judge who was hearing the case.

Thrown Out

In reaction to Turner's charges, the SEC's general counsel ordered a Justice Department investigation of Turner, ostensibly because he had leaked confidential documents about the Hughes case to outsiders. The SEC didn't tell Turner about its charges and didn't submit any evidence, but the FBI started to investigate him. Only after Turner found out what was going on and got some publicity did the FBI close its investigation. When he last visited Washington on government business, Turner was told he would be thrown out of the SEC building if he tried to visit it.

Reprisals like these create an atmosphere in which few private lawyers are inclined to challenge the SEC, and the SEC, because of its staff shortages, is similarly disinclined to challenge the lawyers. As a result, one Washington securities lawyer and SEC alumnus says, "All SEC cases are easy cases. I spend my days telling clients to settle. It's cheaper, and the settlements are meaningless anyway. Besides, it brings them no notoriety."

So the lawyers and the SEC go along with each other, and important

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cases are ignored. Consider, for example, the SEC's sorry record of policing the stock markets for insider trading. When an insider at a corporation has information that regular stockholders aren't aware of—the corporation is about to raise its dividend, say—he can buy stock at an artificially low price, before sellers find out how well the corporation is doing. Conversely, if there's bad news brewing, the insider can unload his stock at a good price, before disaster strikes. These are white collar crimes, pure and simple, and preventing them is an important mission of the SEC's.

But Stanley Sporkin says he doesn't have the manpower to go after inside traders. Records revealed after a Freedom of Information Act lawsuit against the SEC bear him out: the commission failed to pursue almost all of the 186 documented insider cases that stock exchanges referred to it for investigation between 1974 and 1976. Most insiders, says one SEC official, "are probably going to get away with it;" shareholders won't even know when they've been victimized. As Sporkin puts it, "everybody who goes through a stop light doesn't get a ticket."

Some of the cases look more serious than that to an outsider. In one, a stock exchange notified the SEC that three officers of a corporation (the SEC won't disclose their names or the corporation's) had sold their entire stock holdings, amounting to 43 per cent of the outstanding stock, three months prior to the company's declaring bankruptcy—a clear violation of the law. The SEC doesn't even know now whether it investigated the case, which was reported to the commission in 1974; its present status, says a spokesman, is "not readily ascertainable."

In another case, a company informed numerous management and union officials of an important piece of good news before it was made public. Right away, the chairman of the board, the uncle of a director, some company employees, and various friends and relatives of company officials bought up blocks of stock (again, the SEC won't name names). The American Stock Exchange, which reported the case, urged the SEC to take action, calling it a "classical example" of insider trading. The SEC did nothing.

The SEC's defenders can point with justifiable pride to the commission's political independence, and to its recent efforts to require corporations to disclose more and more information to their shareholders. But rules aren't much good if they aren't enforced, and the SEC has undercut its good works by actively encouraging private lawyers whose business is to circumvent the SEC to act as its eyes and ears. The SEC is one of several dozen federal agencies that objected last year to a strict District of Columbia bar proposal to stop the revolving door between agencies and law firms. Established systems, whether they make sense or not, die hard. ■

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Where to Eat in Washington

by Jill Merrill

Most of our readers don't live in Washington but come here often because their work is connected with the government. For their benefit, we offer this guide to where to eat, and in alternate months, where to stay. Restaurants listed here are all located in the center of the city along—or near—the Connecticut Avenue corridor, beginning at Pennsylvania Avenue and ending above Rock Creek Park. They are all northwest of the White House. Those we recommend most highly are indicated by an asterisk.

Arabian Nights, 2915 Connecticut Ave., 232-6684. Good Middle Eastern (mostly Iraqi) food, spiced more interestingly than at most restaurants of this sort. Altogether a good bargain in simple surroundings. Moderate.

Astor, 1813 M St., 331-7994. Although it's noisy and crowded (especially at lunch), the Astor has maintained a loyal clientele—for good reason. The large Greek salad at $1.45 and the Moussaka for $2.25 at either lunch or dinner are quite good. Mixed drinks are only 75 cents. Prices are higher ($4.50-$6.95, drinks $2) upstairs at night, when the belly dancer performs after 8:30 p.m.

The Best of the Wurst, 1900 M St., 223-0179, and 1001 Connecticut Ave., 785-1003. While the six kinds of wurst offered could be better, the condiments and frozen ice cream are very good. Better to take out than to stay. Open for lunch until 5 p.m. Inexpensive.

The Black Beret, 1140 Connecticut Ave., 223-5542. This is a two-part restaurant in the basement of a modern office building. One part is fancy and dark, with a round bar and an electronic stock ticker, catering to businessmen; the other part is a sit-down sandwich restaurant of no great distinction. Reasonable.

Burger Chef, 1216 18th St. A self-service salad bar, but not much else, distinguishes it from the other fast-food places listed here. Cheap.

***Calvert Cafe**, 1967 Calvert St., 232-5431. This restaurant, across Rock Creek Park from the Shoreham Hotel, is a good value. The food is entirely Middle Eastern and the most expensive item on the menu is $4.25. Couscous and kifta are good; whole lamb stuffed with pine nuts is excellent but must be ordered two days in advance.

***Cantina d'Italia**, 1214-A 18th St., 659-1830. A fine Northern Italian restaurant right off Connecticut. Unpretentious on the outside (one has to walk downstairs into a black hole), but the food is superb most of the time. The freshly made pastas are excellent and rich; the striped bass with a delicate sauce—either hot or cold—is another delight. Its popularity, which is partially responsible for the harried service, is well-deserved. The menu is extensive: a bit overwhelming for the uninitiated, but never dull. Expensive.

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Roxie Munro

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Chez Camille, 1737 De Sales St., 393-3330. Located right next to the Mayflower Hotel, the food is probably better at lunch than at dinner. Cold dishes such as the pate platter or tongue are particularly good. Once a wonderful "little" restaurant, Camille moved to its present location and is now a "big" restaurant but, sad to say, only in size and price.

Christopher's Steaks Unlimited, 1232 20th St., 785-2100. The all-beef menu is surprisingly low-priced: 7 oz. beefburger for $2.65 to N.Y. strip steak for $6.95. It's good as well.

Columbia Station, 1836 Columbia Rd., 667-2900. No credit cards, no reservations. Near the Washington Hilton Hotel, this is a neighborhood bar/restaurant in a primarily Spanish-speaking community. The atmosphere is lively, the food moderately priced. A special for $3.50 is served every night and Spare Rib night (Thursday) is very popular. Vegetarian dishes also offered.

Court of the Mandarins, 1824 M St., 223-6666. Moderately priced, this tasteful restaurant provides a relaxed respite from the noise of downtown life. Peking duck is available without advance notice; there are several other specialties for those who want to sample various Chinese cuisines.

Duke Zeibert's, 1722 L St., 296-5030. Crowded and noisy but the cuisine—American-Jewish—is excellent and the jocks and lobbyists love it. The portions are huge and the terrific pickles are gratis. Moderate.

***El Caribe**, 1828 Columbia Rd., 234-6969. There's delicious Latin-American food at this restaurant, which is north of the Washington Hilton in a Spanish-speaking community. The menu is extensive, ranging from squid (superior) to many variations of chicken with rice. Excellent value. Moderate.

El Dorado, 1832 Columbia Rd., 232-0333. Good Spanish food at modest prices.

E.J. O'Riley's Pub, Rear 1122 18th St. N.W. 872-1114. Some fluke of city planning left E.J. O'Riley's building in the middle of a city block, surrounded by parking lots. But if the milieu isn't charming, the building itself is, and inside there's a warm, dark, friendly bar with a loyal clientele. Upstairs food is served, but the one time we ate there it was truly terrible. We've heard, however, that the Irish Stew is good. Go there to drink, but not to eat. Inexpensive.

El Palacio, 1827 M St., 785-8228. One of five El Palacios in the Washington area, serving undistinguished Tex-Mex food. Moderate.

Empress (David Lee's), 1875 Connecticut Ave., 462-8111. Mandarin restaurant with large portions; Peking duck can be ordered with no advance notice. Right near the Washington Hilton. Moderate.

***Empress (Trudie Ball's)**, 1018 Vermont Ave., 737-2324. Just off K St., this well-known restaurant specializes in Peking duck and Hunan (spicy) dishes. Good service, good food, good value. Moderate.

***Gaylord's**, 1731 Connecticut Ave., 232-1128. A good Indo-Pakistani restaurant with a wide selection of curries. The staff is accommodating and willing to explain the menu. If you like Indian food, you will not be disappointed. Moderate.

Golden Temple of Conscious Cookery, 1521 Connecticut Ave., 234-6134. No credit cards, reservations, or alcohol. Fresh, vegetarian food. Very crowded at lunch. Inexpensive and a good value.

Greek Village, 1712 Connecticut Ave., 232-4768. Modest Greek fare at remarkably modest prices (particularly the specials). Belly dancer upstairs in the evenings.

Greenery, 1144 18th St., 872-1658. No reservations. Lots of hanging plants and salads as the name implies. Very crowded at lunch. Inexpensive.

Gusti's, 1837 M St., 331-9444. This Italian restaurant stands apart in one way: with ten dining rooms, it is bigger than the others. The quality of the food, like the prices, is modest.

Harold's Rogue and Jar, 1814 N St., 296-3192. Known as a jazz club, the Rogue is also a good place for simple lunch or dinner. Try the home-made soups, the specialty sandwiches, and the carrot cake. Inexpensive.

If you're into small hotels - you ought to get into the Tabard Inn, Washington, D.C.

Harvey's, 1001 18th St., 833-1858. Harvey's is a Washington institution. The fare is all-American, with an emphasis on seafood; the bar is "intimate" and attractive and the drinks generous. Expensive.

Hot Shoppes, 1825 Connecticut Ave. and 1621 H St., 483-2816. The first is close to the Washington Hilton, the second near the White House. A comfortable family cafeteria, clean and reasonable. Inexpensive.

Il Giardino, 1110 21st., 223-4555. Several blocks off Connecticut, one of a spate of recently opened northern Italian restaurants in this area. It has some good specialties, such as the agnolotti and cannelloni in cream sauce, but the service is poor at dinner and even poorer at lunch. Expensive.

Iron Gate Inn, 1734 N St., 737-1370. A converted 19th-century stable. In winter there are two fireplaces to keep you warm inside. In the summer, the courtyard offers the most charming setting for outdoor dining in downtown Washington. The Middle Eastern dishes are a good value, the American only fair. The carafe wine is good and inexpensive. Moderate.

Jacqueline's, 1990 M St., 785-8877. A wide range of good, well-prepared French food. Expensive.

***Jean-Pierre**, 1835 K St., 333-1066. Although the namesake of this distinguished restaurant is now owner-chef of **Le Lion d'Or**, the food remains superb. In spite of its rather undistinguished decor, this is the **ne plus ultra** of Washington's increasing number of fine French restaurants. We recommend the veal Francaise and the sole meuniere. Expensive.

Jockey Club, 2100 Massachusetts Ave., 659-8000. This restaurant, in the Fairfax Hotel, has undergone a great many changes since its ascendancy during the Kennedy years. The service is good and the setting attractive and quiet, but, by all accounts, the food is uneven. Very expensive.

Kramerbooks' Afterwords Cafe, 1517 Connecticut Ave., 387-1462. No reservations. Washington's only bookstore-cafe; one should not expect too much. Since there is no real kitchen, the menu is limited (quiches, salads), but the browsing is good. Inexpensive.

La Brochette, 1825 M St., 296-1363. Simple, unpretentious, French food. Moderate.

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***La Fregate**, 2020 Florida Ave., 332-0682. A small, charming Vietnamese restaurant near the Washington Hilton. The food is excellent, particularly the hors d'oeuvres, and the service is efficient but discreet. Pho Soup and Chicken with Five Spices are excellent. Moderate.

***Le Bagatelle**, 2000 K St., 872-8677. If you require a feast for the eyes as well as the palate when dining out, this is the place for you. Le Bagatelle looks like an elegant garden, with trellises, greenery, and excellent food. Always crowded, with tables too close together, but one can eat very well here—seafood and desserts especially. Expensive.

L'Escargot, 3309 Connecticut Ave., 966-7510. Good, solid French fare, with fixed-price menu for $8.95. The food is unpretentious, well-prepared, and very tasty. Expensive.

***Le Lion d'Or**, 1150 Connecticut Ave., 296-7972. Jean-Pierre Goyenvalle has been responsible for enchanting the palates of many Washington denizens and visitors for a number of years, and his new restaurant does not disappoint. Very expensive.

Le Provencal, 1234 20th St., 223-2420. In any given roomful of Washington food snobs there is one subject that is unfailingly controversial—Le Provencal. For reasons that have always escaped this writer, this restaurant commands a following that DeGaulle would envy. Expensive.

Le Souperb, 1221 Connecticut Ave., 347-7600. No credit cards or reservations. This is a cafeteria, in the middle of the downtown area, that serves good, hearty soups, stews, and sandwiches. Very crowded at lunch. Closes at 8 p.m.; carryout open for breakfast and lunch. Inexpensive.

Luigi's, 1132 19th St., 331-7574. No reservations. This is a good value for either lunch or dinner. The pizza is excellent, as are some of the fish dishes. Good service in spite of the sardine configuration of the tables. Moderate.

McDonald's, 1909 K St and 2481 18th St. (near the Washington Hilton). Still the cheapest fast-food place in Washington.

Mister Day's, Rear 1144 18th St., 296-4448. Another downtown pub, with good roast beef sandwiches and chili. There is a pinball machine and a juke box, so bring change.

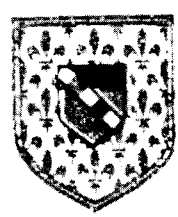
The Montpelier, Madison Hotel, 15th & M Sts., 785-1000. Recently converted to buffet service, with more efficient, albeit more uncertain—and still expensive (lunch $12.50, dinner $19.50)—results. If you want to be grand, this room is fit for the Sun King. The lounge is less fancy and serves a lunch buffet with slightly less princely prices.

Napoleon's, 2649 Connecticut Ave., 265-8955. Between the Shoreham and Sheraton-Park Hotels. A standard—shrimp, beef, chicken—menu. While there is certainly no reason to go out of one's way to get here, its proximity to the two hotels is an asset. Moderate.

***Nathan's II**, 1211 Connecticut Ave., 659-1211. A new Northern Italian restaurant that is decidely superior (for the time being) to its Georgetown parent. Excellent pastas and vegetable dishes in an attractive atmosphere. Late-night dancing, too. Moderate.

Nino's, 1204 20th St., 659-8024. Inexpensive, dark, and noisy, not necessarily in that order. Everything floats on a tomato sea, so one would do well to stick with the pizza.

***Omega**, 1856 Columbia Rd., 667-9600. No reservations. A neighborhood restaurant offering good Cuban food in a totally unpretentious setting. Lots of black beans, rice, chicken, and seafood, all very modestly priced and well prepared. Usually crowded, so try to go very early or very late.



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Paradise Cafe, 1900 M St., 833-1218. No reservations. The decor is California Redwood and the atmosphere, like the food, light and healthful. Inexpensive.

Paul Young's, 1120 Connecticut Ave., 331-7000. Good if not exceptional American cooking in the most spacious non-hotel dining room in Washington. Delicious onion rolls and an excellent wine list that, despite recent price increases, still offers some bargains. Expensive. In the Safari Lounge there is a more limited lunch menu and Heineken on draft, at moderate prices.

President Adams Room in the Hay-Adams Hotel, 800 16th St., 638-2260. Right across from the White House, this is a splendid room in the grande dame of Washington hotels. Breakfast and lunch are particularly good times to spot luminaries; on the other hand, it is quieter and more serene at dinner. Expensive.

Prime Rib, 2020 K St., 466-8811. A handsome room with handsome beef at handsome prices. It is so dark and so noisy, however, that one wonders if one isn't inside the cow's stomach, rather than the other way around. Expensive.

Rocky Racoon Saloon, 1243 20th St., 872-1643. No reservations. The place is done up in a Western way, and the food is strictly Tex-Mex. After 9 p.m., except Mondays and Tuesdays, there is a country-rock band and a nominal cover charge. (If you're already having dinner, there is no charge for the entertainment.) Inexpensive.

Roma, 3419 Connecticut Ave., 363-6611. A huge, Italianate garden complete with music and gurgling, grape-infested plaster *putti*. The food is as average as the atmosphere is wild. Moderate.

Romeo & Juliet, 2020 K St., 296-7112. An excellent Italian restaurant. We recommend fettuccine with clam sauce. Very expensive.

Roy Rogers, 2021 I St. For our money, this is the best—and most underrated—fast-food place around. The hamburgers are fresh and hand-formed. The specialty of the house is a quite good roast beef sandwich, and there's also so-so fried chicken. Best of all, Roy has two excellent sauces you can't find at other fast-food places—barbecue and horseradish.

Sans Souci, 726 17th., 298-7424. If you want to star-gaze at lunch, this restaurant near the White House is the place for you. A number of stars lunch here regularly (but not many from the Carter Administration), so if you are more interested in craning your neck than eating good food, you won't be disappointed. At dinner it's half-empty and not chic at all. Very expensive.

Sea-Fair, 2655 Connecticut Ave., 667-5115. No reservations. In the same neighborhood as **Napoleon's**, but the cuisine is more American with, naturally, an emphasis on seafood. The reviews are mixed. For those who are cholesterol-conscious, no butter is served. Moderate.

Sea Catch, 2100 Massachusetts Ave., 659-8000. Like the **Jockey Club**, the Sea Catch is in the Fairfax Hotel; in fact, they share the same kitchen. They also share attractive surroundings complemented by discreet but attentive service. Apart from the Crab Imperial, however, there seems to be little here to justify the celestial prices.

Sholl's Cafeterias, 1032 Connecticut Ave. and 1433 K St. Simple, home-style cooking in the middle of downtown Washington. Don't bother with the over-cooked peas and carrots, but try the carrot cake, liver and onions, pies, and spoon bread. Very low prices—a full meal for $2-$3.

Sheraton-Carlton, 16th and K Sts., 638-2626. Monday-Friday, 3:30-5:30 p.m. Tea, sandwiches, and good sweets are served as a violinist strolls through this old-world hotel. A $2.95 and a $4.50 sandwich-and-dessert tea are offered. Great fun and good food for a slightly unusual and inexpensive repast.

Szechuan East, 1805 H St., 296-3588. Good, tangy Szechuan fare. Crowded at lunch; however, there's a carry-out window for those who are short on time. Moderate.

***Tabard Inn**, 1739 N St., 785-1277. No credit cards. A delightful restaurant in a charming hotel. There are three or four excellent specialties each day, and the food is not only well-prepared but entirely fresh and preservative-free. Reservations essential at lunch. Moderate.

Tiberio, 1915 K St., 452-1915. Italian haute cuisine with an extensive menu and consistently good pastas and desserts. Expensive.

Tuscon Cantina, 2605 Connecticut Ave., 462-6410. No credit cards or reservations. Formerly Tippy's Taco House, the Cantina has expanded its menu to include such items as beef and chicken enchiladas. Near the Shoreham and Sheraton-Park Hotels. Inexpensive.

Yenching Palace, 3524 Connecticut Ave., 362-8200. Uneven in quality but worth taking a chance on if you're up this way; excellent dumplings, we're told. Moderate.

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Richard Reeves on Political Books

A couple of years ago I read an interview with Walter Cronkite in an airline magazine. He was joking about the mail he got and said that one guy even wrote to say that he had developed the technology for a bionic anchorman. Imagine being replaced by a robot, Cronkite said. Walter, I thought, don't tell them! The clunks who run television would love it—an anchorman who didn't want a new contract, who could be programmed not to cause trouble with things like opinions, and who wouldn't age.

Leaving aside the question of whether some anchormen around the country aren't actually plastic-covered computer circuitry, I was reminded of Cronkite's indiscretion while reading a book called *Communications Workers of America—The Story of a Union* by Thomas R. Brooks, published by Mason/Charter.

"Operators maintained a rate of 250 to 350 calls an hour," Brooks writes of Bell telephone operators in 1907. "Supervisors constantly stalked behind the operators to see that no one lagged. 'It is a mistaken idea to suppose that, in the daily work of the operator, there are periods of relaxation which compensate for the high pressure hours,' Miss Curry stated. Relief periods were rigidly confined to five, ten or, at best, 15 minutes for each shift and were granted 'not as a matter of right but as a privilege,' by the supervisors. 'The management expects you to be just a machine,' a Los Angeles operator told Miss Curry."

Over the next 70 years, the operators and management went their own ways. The employees organized into the C.W.A. and gradually won tolerable working conditions—there was once a standard procedure for removing hysterical operators—and a reasonable wage. The bosses gradually eliminated operators and got the machine they wanted—the automated Bell system processes 99.9 per cent of American phone calls without the touch of paid human hands. The union was successful and management was successful.

But management was more successful, as I would argue that it has been across the board in American labor relations. Ironically, part of the managerial triumph is linked forever to

Richard Reeves is the author of Convention. *His column is a regular feature of* The Washington Monthly.

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union gains. Brooks ends with a quote from the late Philip Murray, the president of the Congress of Industrial Organizations, describing the goals of unionism as, simply, "A rug on the floor, a picture on the wall, music in the home, food on the table, clothes and education for the children."

So, the goals have been met, the struggle is over. Or, so it seems. Union membership has been steadily dropping for more than 20 years, and now stands at something like 20 per cent of the American work force, as compared with 26 per cent in 1954. Potential members see themselves as somehow better than working class, labor leadership is a bunch of old men, often silly old men, and—this was cited to me as the main reason by the president of an opinion research company that monitors social attitudes—people believe they can get the financial benefits of union struggle without paying dues.

That last appears to be true. I asked a friend, the chief executive of a company with 150 employees, how he had beaten a recent union organization drive. It was surprisingly easy, he said. He raised salaries a bit, instituted a rather generous profit-sharing plan, and, in his words, "fed them a lot of bullshit about being a team, a family."

Would you have done those things if there was no union threat?

"Of course not."

I should state my bias here. I don't particularly like unions or the people who run them. I have belonged to two and been on strike three times—stupid strikes led by narrow men who thought the internal politics of the union was the real world. But I have also been a reporter for the aggressively non-union *Newark Evening News,* raising a family on $90 a week. I often think that I'd still be making about that if it were not for the American Newspaper Guild. There are just too many younger folks willing to be newspaper reporters for less money when your legs go—and almost as many managements anxious to hire them for less than you're making.

I am terrified of today's managers. They may be more frightening than the old paternalism—or maternalism in the case of "Ma Bell" and the C.W.A. Only a fool would choose the accountants and Wharton graduates as the trustees of his personal future. I'll take George Meany any day, even at 83. One of the reasons to occasionally read a workers-of-the-world-unite book like *Communications Workers of America* is to be reminded of quotes like these:

"I can hire half of the working class to kill the other half."

—Jay Gould

"The rights and interests of the laboring man will be protected and cared for, not by the labor agitators, but by the Christian men to whom God in His infinite wisdom has given the control of the property interests of the country."

—George F. Baer,
president of
the Philadelphia
and Reading
Railroad Company.

Well, the new managers are hardly robber barons. They're worse. And not only because they're so much less interesting. Because they don't have to get their hands dirty any more. They just shift numbers and words around—words like "productivity," "cost-control," "maximization." And if all else fails, they shift the profit center to Taiwan. The bottom line, said the president of RCA the other day, is that NBC has lower profits than CBS—that was the other day that NBC, despite record profits, laid off 300 non-union executives.

Come to think of it NBC might not have had to do that if they knew about the bionic anchorman. They could make one that sounded like Cronkite and looked like Mary Tyler Moore. My bottom line is that if Walter Cronkite isn't safe, none of us is. I'll keep paying my damn AFTRA dues.

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political book notes

Public Affairs Books to be Published in February.

The Aesthetic Dimension. Herbert Marcuse. Beacon, $6.95.

Antonio Maceo: The "Bronze Titan" of Cuba's Struggle for Independence. Philip S. Foner. Monthly Review Press, $15.

Are We All Nazis? Hans Askenasy. Lyle Stuart, $8.95.

The Arizona Project: How a Team of Investigative Reporters Got Revenge on Deadline. Michael F. Wendland. Sheed Andrews and McMeel, $9.95.

Better Than Rubies: A History of Women's Education. Phyllis H. Stock. Putnam, $10.95.

Black Culture and Black Consciousness: Afro-American Folk Thought from Slavery to Freedom. Lawrence W. Levine. Oxford, $4.94.

Call Me Counselor. Sara Halbert. Lippincott, $8.95.

Counsel for the Poor: Criminal Defense in Urban America. Robert Hermann, Eric Single, John Boston. Lexington, $15. The history of an indigent defendant: left school in fifth grade, reformatory at 15, two subsequent prison terms, had cut off a finger, cut his heel tendons seven times, slashed his wrists twice, broken his arm, received 25 shock treatments, was diagnosed psychotic and committed to a mental institution. Now, being tried on two counts of robbery committed shortly after his escape from that institution, he'd had one brief consultation with his court-appointed lawyer. The lawyer did not even explore the possibility of an insanity defense. The man was sentenced to 75 years in prison.

Is that actual case typical of criminal defense for the poor in the United States? Can an accused person who depends on a "free" lawyer get the same quality of justice as one who hires his lawyer? In quest of answers, the authors studied the court systems of Los Angeles, New York, and Washington. In all three cities, the defendant in a criminal case may hire his own lawyer or be represented by either a court-appointed private lawyer or an attorney from an organization set up to defend the poor. (In Los Angeles the Public Defender is civil service; in New York and Washington, the

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Legal Aid Society and the Public Defender Service, respectively, are quasi-governmental)

How the legal profession compares the work of these types of defense lawyers, how the man in the dock sees it, and what the record says about the defendant's fate—these are the areas the authors probe.

To set the scene, the overwhelming majority of people accused of crimes are represented by lawyers hired and paid by the government, and plea bargaining has almost entirely replaced trial in urban courts, with the threat of a harsher sentence hanging over the defendant who insists on going to trial. The court process has become administrative rather than adjudicative, an assembly line for handling volume; justice can be a by-product but is not the object of the system.

Uniformly, the defendants in the three cities thought privately retained lawyers did the best job: "You get what you pay for." And, except in Washington, where the elite Public Defender Service takes relatively few cases, second choice was court-appointed lawyers.

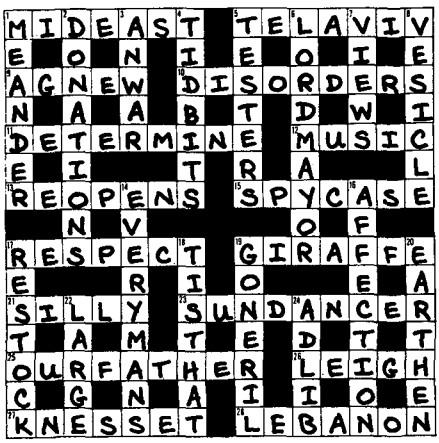
In contrast, the legal community felt that the quality of publicly provided defense equals and often tops that given by privately retained lawyers—perhaps because in a system of administrative justice the adversarial talents of a Perry Mason are superfluous.

Nor did the lawyer-related outcome of the cases support the "money talks" cynicism. In all three cities defendants with publicly paid lawyers experienced roughly the same conviction and imprisonment rates as those who hired private lawyers; such small differences as showed up were in favor of the institutional defender organizations.

The authors don't suggest that the poor get equal justice. Poverty-related factors such as being held in pre-trial detention for lack of bail adversely affected the defendants' fate. They do suggest that lawyers' performance in the criminal process may not be as important as generally supposed—and that publicly paid criminal defense for the indigent is at least as effective as that bought in the marketplace.

—Leonard Reed

Answers to the January puzzle.



Dragon and Eagle: United States-China Relations, Past and Future. Michel Oksenberg, Robert B. Oxnam, eds. Basic, $12.50. In what may be the most comprehensive book on the subject in a long time, 13 specialists in Asian affairs examine the cyclical love-hate relationship of the United States and China. This is no scattershot collection of essays, but a carefully conceived approach in which each author contributes to the mosaic the editors have designed.

If the cultural abyss between the two countries lent a certain Gilbert and Sullivan humor to the love period—the American penchant for bringing light to the heathen fitting perfectly the Chinese assumption that those who come into their midst are paying tribute to their superiority—it made for intensification of the hate aspect, leading finally to armed conflict. The major test of American foreign policy in the years ahead may be how we interact with this culture, so different from our own.

As the authors see it, these considerations must be part of a constructive course:

1. A multilateral relationship shared by China, Japan, the Soviet Union, and the United States. In the short run, China and the United States may have to cooperate to check Soviet expansionism; for the long-term, American interests lie not in perpetuating Sino-Soviet antagonisms but in a stable relationship conducive to disarmament.

2. Recognition by the United States of the People's Republic of China, the prerequisite for which is the de-recognition of the Republic of China. The authors hope that can be done without compromising the possibility of an independent Taiwan—but maintain that ultimately the determination of Taiwan's status is neither our right nor responsibility.

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3. A rethinking of our cold war position in Korea, an area with a high potential for instability. The United States should promote an equilibrium of regional powers in Northeast Asia and shift to Japan more responsibility for protecting its own interests.

An interesting passage alludes to the role the bureaucracy played in our China policy. The postwar American alliance with Nationalist China resulted in the establishment of a host of American bureaucracies with a "China mission"—and "where bureaucracies penetrate, there they remain." These bureaucracies had a vested interest in keeping warm the hostility toward Communist China—a factor Nixon had to contend with when he brought a new initiative to our China policy.

Against this background, the Nixon-Kissinger cabal is understandable. It was a cabal "against recalcitrant bureaucracies."

I have only one quibble with this argument. Long before becoming President, Nixon was in the forefront of the professional witch-hunters who stood like Gibraltar against any rationalization of our China policy. He bears a heavy responsibility for the belligerence which pervaded our China bureaucracies. It's ironic that history should credit him with the "opening to China" when his primary contribution to it consisted of removing himself as a barrier by becoming President.

—Leonard Reed

Economic Changes in the Philadelphia Region, 1810-1850. Diane Lindstrom. Columbia University Press, $16.50.

Economic Planning. Zoltan Kenessy. Columbia University Press, $16.50.

Economic Policy Beyond the Headlines. George P. Shultz, Kenneth W. Dam. Norton, $8.95.

Ethical Perspectives on Business and Society. Yerachmiel Kugel, Gladys W. Gruenberg, eds. Lexington, $15.

From Private Vice to Public Virtue. James Reed. Basic, $17.50.

A History of Rhodesia. Robert Blake. Alfred A. Knopf, $15.

Humankind: A Status Report on Our Species. Peter Farb. Houghton Mifflin, $15.95.

Images of the Urban Environment. Douglas Pocock, Ray Hudson. Columbia University Press, $12.

Israel—The Embattled Ally. Nadav Safran. Dodd, Mead, $10.95.

Innovation and Implementation in Public Organizations. Richard R. Nelson, Douglas Yates, eds. Lexington, $18.

Judicial Impact and State Supreme Courts. G. Alan Tarr. Lexington, $18.

John Brown's Journey: Notes and Reflections on His America and Mine. Alfred Fried. Doubleday, $10.

Lawyer's Lawyer: The Life of John W. Davis. William Harbaugh. Oxford, $6.95.

Letters to Mamie. John S.D. Eisenhower, ed. Doubleday, $8.95. These are Eisenhower's letters to his wife during World War II, skillfully and straightforwardly edited by his son. The collection serves what is said to be its immediate purpose—it makes a persuasive

...from "doghouse" to "half-way house"

ALABAMA BOUND: FORTY-FIVE YEARS INSIDE A PRISON SYSTEM by Ray A. March. The powerful stories of three men—father, son, and grandson—who have, collectively, served in practically every capacity in the Alabama corrections system, from guard, road boss, and warden to probation/parole officer, from the old days of the "strap" and the "doghouse" to the modern "half-way house." Their stories, told in their own down- to-earth conversational styles, are moving, often brutal, and disturbing, and will not be easily forgotten.

Ray A. March is a California investigative reporter who covered such stories as the Indian occupation of Alcatraz and the Soledad prison riots. $9.95

ZARPAZO THE BANDIT: *Memoirs of an Undercover Agent of the Colombian Army* by Sgt. Evelio Buitrago Salazar, translated by M. Murray Lasley. Introduction and notes by Russell W. Ramsey. The bandit Zarpazo was no romantic Robin Hood. He and his gang stole from anyone who had anything worth stealing, and often raped and butchered their victims for the fun of it, time permitting. Sgt. Buitrago, the most successful of the agents active in the Colombian army's bandit-penetration program of 1963-1966, killed or captured dozens of *bandoleros*, all known murderers, in the final throes of the chaotic period known as *La Violencia*. $8.95

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case that Ike didn't have an affair with his driver, Kay Summersby—but otherwise it's of little lasting value. Ike was so prudent that he wouldn't say a word about the progress of the war in the letters, and he was no literary genius, so the material here is just a collection of minor family news and touching, if corny, statements of devotion to Mamie.

A Lonely Rage: The Autobiography of Bobby Seale. Bobby Seale. Times, $10.95. The former chairman of the Black Panther party tells the story of his life in a series of short, vivid, somewhat disjointed scenes, starting with his very early childhood. This isn't a sophisticated political tract, but it does impart a strong sense of the adversity and poverty that shaped Seale's thinking. Seale comes across as an attractively honest man, fairly free of self-delusion but burdened with an immense component of macho that manifests itself in a fascination with both violence and sexual conquest, the latter recounted in loving ("Oh chairman, all of it, chairman!) detail.

Managing International Economic Interdependence: Selected Papers of C. Fred Bergsten, 1975-1976. C. Fred Bergsten. Lexington, $20.

Of Crimes and Rights. Macklin Fleming. Norton, $11.95.

On Becoming American. Ted Morgan. Houghton Mifflin, $10.95.

Patients are People Like Us: The Experiences of Half a Century of Neuropsychiatry. Henri Baruk. Morrow, $10.95.

The Poison That Fell from the Sky. John G. Fuller. Random House, $6.95. While marred by the feverish cliches typical of books about disasters, this remains a dramatic reminder of the dangers inherent in the manufacture of chemicals.

The Quest for Justice: The Politics of School Finance Reform. Richard Lehne. Longman.

The Real Suez Crisis. Jacques Georges-Picot; trans. by W.G. Rogers. Harcourt Brace Jovanovich. $10.95.

The Romance of American Communism. Vivian Gornick. Basic, $10.95.

Tenderness is Strength: From Machismo to Manhood. Harold C. Lyon, Jr. Harper & Row, $10.

The Truth About the Panama Canal. Denison Kitchel. Arlington, $8.95.

Unemployment in History: Economic Thought and Public Policy. John A. Garraty. Harper & Row, $16.

The United States, OPEC and Multinational Oil. Frank R. Wyant. Lexington, $18.95.

Valley of Darkness. Thomas R.H. Havens. Norton, $9.95. A dissappointing recounting of what could have been a fascinating story about life in Japan during World War II.

The Voluntary Non-Profit Sector: An Economic Analysis. Burton A. Weisbrod. Lexington, $18.

The War Lords. A.J.P. Taylor. Atheneum, $10.

Why the Professor Can't Teach: Mathematics and the Dilemma of University Education. Morris Kline. St. Martin's, $8.95.

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